



CIN : L26942TG1979PLC002485  
GST No.: 36AABCK1868J1ZB

# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

1-10-140.1, 'GURUKRUPA' Ashok Nagar, Hyderabad - 500 020.

REF:KCSIL:SEC:2024:

July 29, 2024

1. BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI - 400 001.
2. The Manager,  
Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, 5th Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
MUMBAI - 400 051.

Dear Sir,

**Sub : Annual Report for 2023-2024.**

Pursuant to Regulation 34 of SEBI (*Listing Obligations and Disclosure Requirements*) Regulations, 2015, please find attached the Annual Report for 2023-2024 in respect of the 45<sup>th</sup> Annual General Meeting scheduled to be held on 29<sup>th</sup> August, 2024 at 11.00 A.M at Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad. A copy of the Annual Report is uploaded on the website of the company at

<http://www.kakatiyacements.com/img/investors/annual/45th%20Annual%20Report%202023-24.pdf>

This is for your information and record.

Thanking you,

Yours faithfully,  
for Kakatiya Cement Sugar & Industries Limited,

VENKATA RAMA LINGA  
SUBRAHMANYESWAR  
AO MALLAPRAGADA  
Date: 2024.07.29  
14°21'45" N 78°5'30" E  
Company Secretary &  
Compliance Officer

Encl : a/a

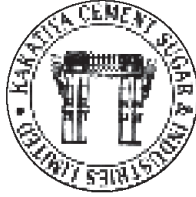
Regd. Off : Phone : 040-27637717, 27633627, Fax : 040-27630172, E-mail : [info@kakatiyacements.com](mailto:info@kakatiyacements.com)

**WORKS:** CEMENT : Dondapadu, Chintalapalem (Mdl.), Suryapet (Dist.) - 508 246. Phone : 08654-200014, Fax : 08654-296331  
SUGAR & POWER : Peruvancha Village, Kalluru Mandal, Khammam Dist. 507 209. Ph: 08761-287207, Fax : 08761-287206

# 45<sup>th</sup> Annual Report 2023 - 24



**KAKATIYA CEMENT  
SUGAR & INDUSTRIES LIMITED**



# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

45<sup>th</sup> Annual Report 2023-24

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## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### BOARD OF DIRECTORS

- |                                   |  |
|-----------------------------------|--|
| 1) Shri P Veeraiah                | Chairman & Managing Director           |
| 2) Shri J S Rao                   | Non-Executive Director                 |
| 3) Shri T R C Bose                | Independent Director (upto 31.03.2024) |
| 4) Shri B V Subbaiah              | Independent Director (upto 31.03.2024) |
| 5) Shri K Venkat Rao              | Independent Director (upto 01.06.2023) |
| 6) Smt. M Varalakshmi             | Non-Executive Director                 |
| 7) Smt. Hima Bindu Myneni         | Independent Director                   |
| 8) Shri V Siva Ramakrishna Murthy | Independent Director (from 04.08.2023) |
| 9) Shri K Rama Rao                | Independent director (from 01.04.2024) |

### SENIOR EXECUTIVES

- |                          |  |
|--------------------------|--|
| 1) Dr. P Anuradha        | Chief Executive Officer                                  |
| 2) Shri M Bhavani Dattu  | Chief Financial Officer                                  |
| 3) Shri V Sessa Sayee    | Company Secretary & Compliance Officer (upto 31.05.2024) |
| 4) Shri M V R L S Rao    | Company Secretary & Compliance Officer (from 01.06.2024) |
| 5) Shri D G K Raju       | President (Cement Division)                              |
| 6) Shri Ch Nageswara Rao | Vice President (Sugar Division)                          |

### STATUTORY AUDITORS

**M/s. M Anandam & Co.,**  
Chartered Accountants,  
Surya Towers,  
Secunderabad - 500003

### COST AUDITORS

**M/s. Narasimha Murthy & Co.,**  
Cost Accountants,  
3-6-365, 104 & 105, Pavani Estates,  
Y V Rao Mansion , Hyderabad - 500029.

### SECRETARIAL AUDITOR

**Smt. Manjula Aleti,**  
Practicing Company Secretary,  
Shop No. 2, Second Floor,  
Maheswar Complex,  
Kukatpally Main Road, Kukatpally,  
Hyderabad - 500072

### INTERNAL AUDITORS

**M/s. Ramanatham & Rao,**  
Chartered Accountants,  
Kala Mansion, S D Road,  
P B No. 2102, Flat No. 302,  
Secunderabad - 500003.

### BANKERS

State Bank of India  
Ashok Nagar Branch  
Hyderabad-500020

Union Bank of India  
Ashok Nagar Branch  
Hyderabad-500020

### REGISTERED OFFICE

1-10-140/1, "GURUKRUPA"  
Ashok Nagar,  
Hyderabad - 500020.  
Phone:040-27637717/27633627  
E-Mail : info@kakatiyacements.com  
and shares@kakatiyacements.com

### REGISTRARS

XL SOFTECH Systems Limited,  
3, Sagar Society, Road No.2, Banjara Hills,  
Hyderabad - 500034.  
Phone:040-23545914/23545915  
E-Mail : xlfield@gmail.com

### FACTORIES

#### CEMENT:

Dondapadu Village,  
Chintalapalem Mandal,  
Suryapet Dist. Telangana State

#### SUGAR & POWER:

Peruvancha Village  
Kallur Mandal  
Khammam Dist. Telangana State



# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

## NOTICE:

Notice is hereby given that the 45<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Thursday, the 29<sup>th</sup> August, 2024 at 11.00 A.M. at Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500020 to transact the following business.

### Ordinary business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the Reports of Directors' and Auditor's thereon.
2. To declare dividend of ₹ 3/- per equity share for the Financial Year ended 31<sup>st</sup> March 2024.
3. To appoint a Director in place of Shri J S Rao (DIN : 00029090) who retires by rotation, and being eligible, offers himself for re-appointment and in this regard, to pass the following Resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri J S Rao (DIN : 00029090), who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation”.

### Special Business:

4. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 188, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and based on the recommendation of the Nomination and Remuneration Committee (NRC) and the Board of Directors, consent of the members of the Company be and is hereby accorded to the re-appointment of Dr. P Anuradha as the Chief Executive Officer (CEO) of the Company for a term of three years w.e.f. 25.05.2024 on terms and conditions as detailed herein below:-

#### a) Monthly Remuneration

	₹
Basic salary	1,69,798
Dearness Allowance	5,202
Other benefits and Allowances	2,98,200
<b>Total</b>	<b>4,73,200</b>
Employer's share of provident fund contribution	1,800
<b>Grand Total</b>	<b>4,75,000</b>

The increment at the end of first year and second year ₹ 45,000/- per year.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do such other acts, deeds and things as may be required in this regard from time to time to give effect to the above resolution.”

### 5. Fixation of Remuneration of Cost Auditors:

To consider and, if thought fit, to pass, with or without modifications, 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 and the Rules made thereunder, the remuneration payable to M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration No.000042) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025 amounting to ₹ 1.75 lakhs together with the applicable taxes and re-imbursment of out of pocket expenses incurred in connection with the aforesaid audit be and is hereby ratified and confirmed”.

By Order of the Board  
for Kakatiya Cement Sugar & Industries Limited

Place : Hyderabad  
Date : 23.05.2024

V Sessa Sayee  
Company Secretary



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on poll only instead of himself/herself and a proxy need not be a member of the Company. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, at least 48 hours before the commencement of the Annual General Meeting.** Proxies submitted on behalf of Limited Companies, Bodies Corporate, Societies etc. must be supported by certified copies of appropriate Resolutions/authorities as applicable.
2. In case of Joint holders attending the Meeting, only such Joint holder whose name appears as the First Holder will be entitled to vote.
3. An explanatory statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 which sets out details relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and e-mail address by every participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit their PAN and register their e-mail address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form and who have not updated their KYC details viz. Income Tax PAN, Bank Account details, Mobile number, e-mail address and nomination are requested to update the same by writing to the Company's RTA M/s. XL Softech Systems Limited/Company by submitting a request letter mentioning the Folio No. and Name of the Shareholder along with scanned copy of the share certificate (both sides) and self-attested copies of the PAN, cancelled blank cheque along with duly filled in ISR-1/2/3, SH-13/14 and e-mail address to the RTA/Company. **In case of non-updation of KYC details by the members holding shares in physical form, no dividend (if declared) will be sent unless the same are updated.**
5. The Register of Members and Share Transfer Books will remain closed from Friday, the 23<sup>rd</sup> August, 2024 to Thursday, the 29<sup>th</sup> August, 2024 (both days inclusive) in connection with the 45<sup>th</sup> Annual General Meeting and for determining the entitlement of Members for payment of dividend.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. As required under Listing Regulations and Secretarial Standard-2 on General Meetings, details in respect of Directors seeking appointment/re-appointment at the AGM is separately annexed hereto. The Directors seeking the appointment/re-appointment have furnished requisite declaration under section 164(2) and other applicable provisions, if any, of the Companies Act, 2013 including Rules framed thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. All the members are requested to intimate their e-mail address to the Company's RTA at [xlfield@gmail.com](mailto:xlfield@gmail.com) for sending Notice and Annual Report through e-mail. The members are also requested to notify immediately any change in their address to the Company's RTA XL Softech Systems Limited with their Folio Number(s) and with their e-mail addresses. They can also visit the company website at [www.kakatiyacements.com](http://www.kakatiyacements.com) where notice is uploaded. For any communication, the members may also utilize company's investor e-mail ID: [info@kakatiyacements.com](mailto:info@kakatiyacements.com).
9. The Dividend, after declaration, will be paid to those members, whose names stand on the Register of Members as on 22<sup>nd</sup> August, 2024. The Dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares, whose names appear in the list furnished by the Depositories for this purpose as on 22<sup>nd</sup> August, 2024. The Dividend will be paid on or before 28<sup>th</sup> September, 2024.
10. Members may note that the Income Tax Act, 1961 as amended by the Finance Act, 2020 mandates that dividends paid or distributed by a company after April 01, 2021 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making payment of dividend, depending upon the status and category of the member.

For resident shareholder, taxes shall be deducted at source under Section 194 of the Income Tax Act as follows:-

Members having valid PAN	10% or as notified by the Government of India
Members not having Valid PAN	20% or as notified by the Government of India



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

However no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by her/him during the Financial Year 2023-2024 does not exceed ₹ 5000/- and also in cases where members provided Form 15G/Form 15H subject to conditions specified in the Income Tax Act, 1961.

11. The Notice calling the AGM has been uploaded on the website of the Company at [www.kakatiyacements.com](http://www.kakatiyacements.com). The Notice can also be accessed from the website(s) of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and at [www.nseindia.com](http://www.nseindia.com) respectively.
12. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. Central Depository Services of (India) Limited (CDSL).
13. The documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The members may write an e-mail to [info@kakatiyacements.com](mailto:info@kakatiyacements.com) and the Company shall respond suitably.
14. As per provisions of Section 124 of the Companies Act, 2013, the Company has transferred to the Investor Education and Protection Fund (IEPF), the amount of all unclaimed dividend declared up to and including the financial year ended 31<sup>st</sup> March, 2016. The amount of unclaimed dividend for the financial year ended 31<sup>st</sup> March, 2017 will be transferred to the Investor Education and Protection Fund (IEPF) within the prescribed time during the current year.
15. As per the provisions of Section 124 of the Companies Act, 2013, the Company is required to transfer dividend, which remains unpaid or unclaimed for a period of 7 years, to the IEPF set up by the Central Government. The shareholders, who have not claimed their dividend for any year from the financial year ended March 31, 2017 onwards are requested to lodge their claim with the Company.
16. The members may note that they can avail of nomination facility in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled-in to XL Softech Systems Limited at the address mentioned in this Report. Members holding shares in electronic mode may contact their respective Depository Participants for availing of this facility.
17. The Company's shares are listed with The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Annual Listing Fee for the year 2024-2025 has been paid to these two Stock Exchanges.
18. As per SEBI Circular No.CIR/MRD/DP/10/2013 dated March 21, 2014, dividend payments to investors are made electronically through ECS. **The members holding shares in demat form are requested to update their bank details with the depositories with whom they have opened their demat accounts, to ensure that dividend is credited promptly. Those members who hold shares in physical form are requested to communicate their bank account number, name of the Bank, Branch, IFSC Code and address to: [info@kakatiyacements.com](mailto:info@kakatiyacements.com) or [shares@kakatiyacements.com](mailto:shares@kakatiyacements.com) and [xfield@gmail.com](mailto:xfield@gmail.com) for necessary action at our end. The members holding Accounts in Banks in which merger has taken place are requested to check and mention the correct IFSC code of the Bank consequent to merger.**
19. Electronic copy of the Notice of the AGM of the Company and the Annual Report inter alia indicating the process and manner of e-voting are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless a member has requested for a hard copy of the same.
20. In compliance with the provisions of Section 108 and 109 of the Companies Act, 2013 and Rules 20 and 21 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is providing e-voting facility to the members to exercise their right to vote on Resolutions proposed to be passed in the meeting by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting. The Company has engaged the services of CDSL as the authorised agency to provide e-voting facilities and instructions for availing e-voting facility are given in **Note No.27**.
21. The Board has appointed Smt. Manjula Aleti, Company Secretary in Practice (Membership No.FCS:10380, COP:13279) as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

22. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 2 (Two) working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against forthwith to the Chairman or a person authorised by the Chairman for counter signature.
23. The Results shall be declared by the Chairman or by an authorised person of the Chairman and the Resolutions will be deemed to have been passed on the date of AGM, subject to receipt of requisite number of votes in favour of the Resolutions.
24. After declaration of results, the same shall be placed along with the scrutinizer's Report(s) on the website of the company [www.kakatiyacements.com](http://www.kakatiyacements.com) and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed.
25. A person whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the Depositories as on the cut-off date i.e. 22<sup>nd</sup> August, 2024 shall only be entitled to avail the facility of remote e-voting.
26. **The e-voting period commences on Monday, 26<sup>th</sup> August, 2024 (9:00 AM) and ends on Wednesday 28<sup>th</sup> August, 2024 (5:00 PM).** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it.
27. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company.

### **CDSL e-Voting System - For e-voting**

#### **THE INSTRUCTIONS TO MEMBERS FOR E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Monday, 26<sup>th</sup> August, 2024 (9:00 AM) and ends on Wednesday, 28<sup>th</sup> August, 2024 (5:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2024 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual members holding securities in Demat mode with CDSL/NSDL** is given below:





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Type of shareholders	Login Method
Individual members holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL, so that the user can visit the e-voting service providers' website directly.</li> <li>3) 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>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. 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 able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual members holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on 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.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.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.nsd.com/">https://www.evoting.nsd.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.</li> </ol>
Individual members (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on 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.</p>



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

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

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

Login type	Helpdesk details
Individual Members holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542/43.
Individual Members holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-voting for **Physical members and members other than individual holding in Demat form.**
- 1) The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Members" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

<b>For Physical members and other than individual members holding shares in Demat.</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat members as well as physical members) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter your Dividend Bank Details or Date of Birth (in DD/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

- (ix) Click on the EVSN for the relevant (KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED) on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non - Individual Members and Custodians - For Remote e-voting only.**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [info@kakatiyacements.com](mailto:info@kakatiyacements.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical members - Please provide necessary details like Folio No., Name of shareholder, scanned copies of the share certificate (both sides), PAN and AADHAR (both self attested) by email to Company/RTA's email id.
2. For Demat members - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat members - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting through Depository.

If you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**ANNEXURE TO NOTICE**

**Item No.3**

<b>Sl. No.</b>	<b>Name of the appointee</b>	<b>Shri J S Rao (DIN 00029090)</b>
1.	Date of Birth	18/07/1953
2.	Qualification	B.E
3.	Date of first Appointment	09/07/1979
4.	Expertise in the specific functional areas	43 years of rich and varied experience in operations of Cement Plants.
5.	Nature of appointment	Retiring by rotation and being eligible offers himself for re-appointment.
6.	Occupation	Industrialist
7.	Terms and conditions of appointment or re-appointment along with details of Remuneration sought to be paid and remuneration last drawn	He is a Non-Executive Director. No remuneration is paid to the Non-Executive Directors except payment of sitting fee and reimbursement of expenses incurred for attending the Board / Committee Meetings attended by them.
8.	Shareholding of Kakatiya Cement Sugar & Industries Limited (as on 31.03.2024)	10,000 shares
9.	No. of Listed entities in which committee membership / chairmanship held	2
10.	Membership/Chairmanship of Committee in this Company	Member of Audit Committee and Corporate Social Responsibilities Committee
11.	No. of Listed entities in which Directorship held (including this Company)	2
12.	Details of Listed entities from which the person has resigned in the last three years	Not applicable
13.	Inter-se relationship with any other Director, Manager or KMP.	Not applicable
14.	No. of Board Meetings attended during the year	4 (Four)



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

**Item No.4.**

The Board, based on the recommendation of Nomination and Remuneration Committee (NRC), at its meeting held on 23.5.2024 re-appointed Dr. P Anuradha as Chief Executive Officer (CEO) of the company for a period of three years effective from 25<sup>th</sup> May, 2024 subject to the approval of members of the company at the ensuing Annual General Meeting.

Considering the able leadership demonstrated by Dr. P Anuradha as CEO of the company leading to overall growth and development of the company, the Board is of the opinion that it would be in the interest of the company to re-appoint Dr. P Anuradha as CEO for a period of three years effective from 25<sup>th</sup> May, 2024. The terms of appointment and payment of remuneration are as per the Resolution set out in Item no.4.

Shri P Veeraiah, Chairman and Managing Director is interested in the Resolution being the husband of Dr. P Anuradha. None of the other Directors or KMPs or their relatives is interested or concerned financially or otherwise in the said Resolution.

The Board commends this Resolution for approval of Members as an Ordinary Resolution.

**Item No.5.**

The Board based on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the Financial Year ended 31<sup>st</sup> March, 2025.

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

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors. None of the Directors or Key Managerial Personnel or their immediate relatives is interested or concerned in this Resolution.

The Board commends this Resolution for approval of Members as an Ordinary Resolution.

By Order of the Board  
for Kakatiya Cement Sugar & Industries Limited

**V. Sesha Sayee**  
Company Secretary

Place : Hyderabad  
Date : 23.05.2024



# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the 45<sup>th</sup> Annual Report together with the Audited Financial statements for the year ended 31<sup>st</sup> March, 2024.

### Financial Results

The Financial Results for the year ended 31<sup>st</sup> March, 2024 are summarized below:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Income (Sales and other Income)	16856.02	17569.19
Profit before Depreciation, Interest & Taxes	599.73	233.63
Depreciation	238.88	225.98
Interest	513.26	570.36
Exceptional Items (Provision for bad and doubtful debts)	0.27	273.13
Taxation	--	---
Deferred Taxation	(18.23)	(116.23)
TOTAL	734.18	953.24
Profit after Tax	(134.45)	(446.48)
Other Comprehensive Income	14.33	(12.93)
Total Comprehensive Income	(120.12)	(459.41)
Share Capital (No. of shares)	7773858	7773858
EPS (Rs.)	(1.73)	(5.74)

### Dividend

Your Directors are pleased to recommend for your consideration a Dividend at ₹3.00 per equity share of ₹10/- each for the year ended 31.03.2024, at par with the dividend declared in the past few years, which entails an outlay of ₹ 233.22 lacs.

### Transfer of Profits to Reserves

In view of the loss incurred by the Company during the year under review, no amounts were transferred to Reserves. The Company has not transferred any amount to reserves from out of the profits of the preceding year.

### Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been claimed for seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF).

Accordingly, the Company has transferred 14,146 equity shares to the IEPF Authority during the year ended 31<sup>st</sup> March, 2024. The shareholders are requested to visit the website of the Company [www.kakatiyacements.com](http://www.kakatiyacements.com) and refer to the Investor/Unpaid-Dividend-IEPF section to know the details of the investors whose shares/unpaid dividend have been transferred to IEPF. In case the shares/unpaid dividend of any shareholder have already been transferred to IEPF, then such shareholder is requested to claim the same from IEPF by filing the requisite e-form IEPF-5 along with all the attachments on [www.mca.gov.in](http://www.mca.gov.in) and forward the uploaded e-form IEPF-5 along with all its duly executed attachments to the Company for further processing.

According to Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the Company has transferred unclaimed dividend amounting to ₹ 9,11,086 to IEPF during the year under review. The said transfer was in respect of the unclaimed dividend for the financial year 2015-2016.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### Material Changes and Commitments

In terms of Section 134(3)(l) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

### Public Deposits

The Company has not accepted any deposits during the year under review and there were no outstanding deposits as at the end of the year falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### Significant and Material orders passed by the Regulators / Courts / Tribunals

There are no significant and material orders passed by the Regulators or Courts or Tribunals in the year under review impacting the 'going concern' status and Company's operations in future.

During the year under review, the BSE Limited and National Stock Exchange of India Limited have imposed fine of ₹ 1,04,000/- each (excluding GST) alleging non-compliance with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the appointment of Shri Vankineni Siva Rama Krishna Murthy as a Non-Executive Independent Director of the Company w.e.f. 04.08.2023. In order to avoid any unpleasant situations, the Company has paid the said penalty along with GST and submitted applications seeking waiver of the said penalty. The Company has not received any final communication in this regard.

Other than the above, no other penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority during the year under review.

### Directors

Consequent upon the completion of the second term of five years on 31.03.2024, as Non-Executive Independent Directors, Shri T R C Bose (DIN:00160630) and Shri B V Subbaiah (DIN:01147062) have ceased to be the Directors of the Company from 01.04.2024. Your Board places on record its sincere appreciation for the valuable services rendered and guidance given by them during their tenure as Non-Executive Independent Directors of the Company.

As informed earlier, Shri K Venkat Rao (DIN:06566627) has resigned as a Non-Executive Independent Director of the Company w.e.f. 01.06.2023.

As informed earlier, Shri Vankineni Siva Ramakrishna Murthy (DIN:03642007) was appointed as a Non-Executive Independent Director of the Company w.e.f. 04.08.2023 and the same has been approved by the Members at their 44<sup>th</sup> Annual General Meeting held on 25.09.2023.

Shri Karumanchi Rama Rao (DIN 07532854) was appointed by the Board as a Non-Executive Independent Director with effect from 01.04.2024 and the same has been approved by the Members at their Extra-ordinary General Meeting held on 27.03.2024.

In accordance with the provisions of the Companies Act, 2013, Shri J S Rao Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief profile of the Shri J. S. Rao, Director who is retiring by rotation and seeking appointment at the ensuing Annual General Meeting is presented elsewhere in this Annual Report.

Smt. (Dr.) P. Anuradha, Spouse of Shri P Veeraiiah, Chairman & Managing Director, was re-appointed as the Chief Executive Officer of the Company by the Board for a period of 3 (Three) years w.e.f. 25.05.2024 and the approval of the Members is being sought at the ensuing Annual General Meeting for her re-appointment and payment of remuneration.

Shri V. Sessa Sayee, Company Secretary & Compliance Officer has tendered his resignation w.e.f. 31.05.2024 and Shri M.V.R.L.S Rao has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 01.06.2024.

### Dematerialisation

As on 31<sup>st</sup> March, 2024, 76,28,211 (98.13%) shares were dematerialised with the following depositories:



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Sl. No.	Name of Depository	No. of Shares
i)	National Securities Depositories Limited	21,62,370
ii)	Central Depository Services (India) Limited	54,65,841

The Company, therefore once again requests such of the public Members who have not yet dematerialised their shares to initiate immediate steps to complete the process of dematerialisation.

### KYC Compliance by Members holding shares in Physical Form

Securities and Exchange Board of India has made it mandatory for holders of physical securities to furnish details of PAN, contact details (address with Pin Code, email address, mobile number), bank account, updated specimen signature and nomination/ opt-out of nomination.

**Please note that in case of failure of the Members to get the above referred details registered/updated with the RTA, the Company will be withholding the dividend payable (if declared by the Members at the ensuing Annual General Meeting) and the same shall be released only after the said details are updated. Further, in respect of such folio(s) the Members will not be eligible to lodge grievance or avail any services from Company or Registrar and receive dividend, till the above mentioned details are furnished.**

The relevant forms prescribed by Securities and Exchange Board of India (viz. ISR-1, ISR-2, ISR-3, SH-13 and SH-14) can be downloaded from the Company's website [www.kakatiyacements.com/investors/shareholders Information/KYC compliance documents section](http://www.kakatiyacements.com/investors/shareholders%20Information/KYC%20compliance%20documents) or that of RTA website <https://xlsofttech.com>.

### Statement of Affairs of the Company

The Statement of affairs of the Company is presented as part of Management Discussion and Analysis (MDA) Report forming part of this Report.

### Performance of the Year under review

Several adverse factors viz., exorbitant cost of coal, non-renewal of Power Purchase Agreement by TS Transco and the reduced area of sugarcane cultivation due to migration of farmers to alternate crops fetching more remunerative prices like oil palm cultivation have all played its role on the operations of the Company and the Company could not achieve the expected capacity utilization.

The division-wise operational and financial details of the performance are stated herein below:-

#### Cement Division:

During the year under review, the Cement Division has produced 2,44,020 MT as against 2,59,575 MT in the year ago period thereby registering a decrease of about 6%.

The Cement Division has clocked a turnover of ₹ 97.84 crores in 2023-24 as against the turnover of 104.98 crores recorded in the previous year and this works out to a decrease of 6.80%.

The Cement Division has incurred profit before interest and tax (PBIT) of ₹ 4.05 crores in the year under review as against loss of ₹ 10.04 crores earned in the previous year.

#### Sugar Division:

The Sugar cane crushed in the Sugar Division in the year under review is 1,14,101 MT as against 1,43,140 MT in the previous year thereby recording a decrease of about 20%. Even though the Company could procure the mandals and villages of its choice during the year under review, by the time the same were allotted to the Company, the cane growers in the said mandals have already entered into agreements with neighbouring factory and as a result, the Company could procure only negligible quantity of cane from these additional areas. The Government Regulation restricting the sale of sugar has also impacted the quantum of sales during the year under review.

The Sugar Division has clocked a turnover of ₹ 63.88 crores in 2023-24 in comparison with ₹ 50.62 crores in the preceding year and thereby registering an increase of about 26% over the year ago period. The Sugar Division has recorded profit before interest and tax (PBIT) of ₹ 0.63 crores in the year under review as against loss of ₹ 0.08 crores in the preceding year.





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### **Power Division:**

The Power Division has generated 53,88,759 kWh in 2023-24 as against 1,61,54,956 kWh of power in the preceding year thereby recording a decrease of about 67%. The members are aware that the Company has not been able to generate power during off-season period in the sugar division since the Government of Telangana has not been conceding to the request of the power entities to generate power using coal as an alternative fuel to the bagasse.

As already informed earlier, the Power Purchase Agreement earlier entered into with TS TRANSCO has expired on 11.04.2022 and the same is yet to be renewed. As a result, during the year under review, there was no sale of power to DISCOMS. There was no wheeling of power generated to the Cement Plant. The Power division has clocked a turnover ₹ of 1.24 crores in the year under review as against the turnover of ₹ 10.70 crores made in the year-ago period and this works out to a decrease of 88% over the previous year.

The Power Division made a loss before interest and tax (PBIT) of ₹ 1.07 crores as against a profit of ₹ 10.20 crores in the previous year.

### **Current Year Outlook:**

#### **Cement Division:**

Taking into account the market conditions and other factors, the Company has set a target of its cement production at 2,75,000 MT for the current year.

#### **Sugar Division:**

The Sugar Division was impacted by various issues during the year under review. The scarcity of water sources, and loss of productive areas in the zonal allocation made by the Government in 2022 for part of the year are some of the critical factors which continue to impact the prospects of the Company.

However, migration of farmers to alternate crops fetching more remunerative prices and incentives from both Central and State Governments for promoting oil palm cultivation coupled with the non availability of water in sufficient quantities at regular intervals have forced the Company to downward revision of the target of cane crushing to 55,000 MT during the current year.

### **Power Division:**

The performance of power division is directly linked to the operational level of the sugar division. A favorable government policy with regard to utilization of coal as an alternative fuel to bagasse during off-season of the sugar division is yet to crystallize since the government has not been permitting the power generating companies to utilize the coal as an alternative fuel to bagasse. In view of this, the performance of the power division will continue to be low and added to this factor, any serious impediments to the sugar division will further impact the performance of the power division. The non renewal of the Power Purchase Agreement also adversely affects the operations of the Power Division.

### **Insurance:**

All the properties of the Company including its buildings, Plant and Machinery and Stocks wherever required have been adequately insured.

### **Disclosures under the Companies Act, 2013**

#### **I) Annual Return:**

The Annual Return as per provisions of Section 92 of the Companies Act, 2013 in Form MGT-7 is available on the Company's website [www.kakatiyacements.com](http://www.kakatiyacements.com) in the Investors/Annual Reports and Annual Returns section.

#### **II) Board Meetings:**

During the year under review, 4 (Four) Board Meetings were held. The details of the Board Meetings and its composition along with the attendance of the Directors are furnished elsewhere in the Corporate Governance Report.

#### **III) Changes in Share Capital**

There was no change in the Share Capital during the year under review.

#### **IV) Changes in the nature of business, if any**



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

There was no change in the nature of business of the Company during the year under review.

### V) Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management personnel. The Policy is approved by the Nomination and Remuneration Committee and the Board.

### VI) Related Party Transactions

Particulars of contracts / arrangements entered into by the Company with Related Parties referred to in Section 188 (1) of the Companies Act, 2013 for the year ended 31<sup>st</sup> March, 2024 have been provided in Form No.AOC-2 pursuant to clause (b) of sub Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same are annexed to this Report (**Annexure-1**).

All the Related Party Transactions have been approved by the Audit Committee and are at an "arms-length" basis.

### VII) Statement of particulars of Appointment and Remuneration of the Managerial Personnel:

The statement of particulars of Appointment and Remuneration of Managerial Personnel as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ending 31<sup>st</sup> March, 2024 is annexed to this Report (**Annexure-2**).

### VIII) Key Managerial Personnel

The following have been designated as the Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Shri P Veeraiah	Managing Director
Dr. P. Anuradha	Chief Executive Officer
Shri M Bhavani Dattu	Chief Financial Officer
Shri V Sessa Sayee	Company Secretary & Compliance Officer (up to 31.05.2024)
Shri M V R L S Rao	Company Secretary & Compliance Officer (from 01.06.2024)

### IX) Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of the Company have been registered and are members Independent Directors Data Bank maintained by Indian Institute of Corporate Affairs and the said registrations are valid. The Registration of Smt. Hima Bindu Myneni, is valid up to 27.02.2026 and of Shri V Siva Ramakrishana Murthy up to 28.02.2025. Registration of Shri Karumanchi Rama Rao is valid for Life Time.

All the Independent Directors of the Company have been granted exemption from passing the online proficiency self-assessment test.

### X) Statement of declaration of independence furnished by Independent Directors under Section 149(7) of the Companies Act, 2013:

The Independent Directors have submitted the declaration of independence as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149 (7) of the Companies Act, 2013 and Regulation 25(8) and 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors have also confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duty with an objective independent judgment and without any external influence.

### XI) Confirmation by the Board

Further, the Board after taking these declarations / disclosures on record and acknowledging the veracity of the



same, concluded that the Independent Directors are persons of integrity and possess the relevant experience to qualify as Independent Directors of the Company and are independent of the management.

The Board opines that the Independent Directors of the Company strictly adhere to corporate integrity, possess requisite expertise, experience, qualifications to discharge the assigned duties and responsibilities as mandated by the Companies Act, 2013 and Listing Regulations diligently.

## **XII) Committees of the Board and its Meetings:**

Your Board has constituted various Committees of the Board as required under the provisions of the Companies Act, 2013 and of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the composition, scope and its meetings etc., are furnished in the Corporate Governance Report, which forms part of this Report.

### **Directors' Responsibility Statement:**

Pursuant to the requirement under Section 134 (3) and 134 (5) of the Companies Act, 2013 with respect to the Director's Responsibility Statement, the Board of Directors of the Company hereby confirm that:

- a. in the preparation of annual accounts for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed and that there were no material departures therefrom.
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2024 and of the loss of the Company for that period.
- c. the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the Directors have prepared the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2024 on a 'going concern' basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### **Evaluation of the Board's Performance:**

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Independent Directors with specific focus on the performance of the Board and individual Directors. The observations of the evaluation made in the previous year, if any, will be considered. At the end of the current year, a comprehensive review will also be done.

The Board evaluation embraces several aspects such as development of suitable strategies and business plans at an appropriate time and its effectiveness, implementation of robust policies, procedures, size and structure and expertise of the Board.

As regards evaluation of Managing Director/Whole time Directors, aspects such as achievement of financial / business targets prescribed by the Board, developing and executing business plans, operational plans, Risk Management and financial affairs of the organization and development of policies and strategic plans aligned with the vision and mission of the Company were considered.

With regard to evaluation of Non-Executive Directors, aspects such as participation at the Board / Committee Meetings, effective deployment of knowledge and expertise, independence of behavior and judgment were considered.

As regards evaluation of performance in respect of Committee Meetings, aspects such as discharge of functions and duties as per scope of the Committee, processes and procedures followed in discharging such functions were considered.

In respect of evaluation of the Chairperson, aspects such as managing relationship with the members of the Board and Management, providing ease of raising of issues, positive reception to the concerns by the members of the Board and promoting constructive debate and effective decision making at the Board were taken into account.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Further to comply with Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have also evaluated the performance of Non-independent Directors, Chairman and the Board as a whole at a separate meeting of Independent Directors.

A brief note on performance of evaluation of independent directors has been incorporated in the Corporate Governance Report.

### **Auditors:**

#### **Statutory Auditors:**

M/s. M. Anandam & Co., Chartered Accountants, Secunderabad (FRN : 000125S) were appointed as the Statutory Auditors of the Company for a period of 5 (Five) years by the Members at the 43rd Annual General Meeting held on 8<sup>th</sup> September, 2022 and they hold office up to the conclusion of the Annual General Meeting to be conducted in 2027. Accordingly, they continue to be the Statutory Auditors of the Company.

#### **Internal Auditors**

Your Board, on the recommendation of the Audit Committee, has appointed M/s. Ramanatham & Rao, Chartered Accountants, Secunderabad (FRN:002934S) as the Internal Auditors of the Company for the year 2024-25.

#### **Cost Auditors**

As per Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, cost records are required to be audited. Based on the recommendation of Audit Committee, your Board has appointed M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors for the current year 2024-25 and necessary Resolution for ratification of their remuneration is placed before the Members at the ensuing Annual General Meeting for their approval in terms of Rule 14 (a)(ii) of the Companies (Audit and Auditors) Rules, 2014.

#### **Secretarial Auditor**

The Board has appointed Smt. Manjula Aleti, Company Secretary in whole-time Practice to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 for the financial year 2024-25.

The Secretarial Audit Report issued by Smt. Manjula Aleti, Practicing Company Secretary in Form-MR 3 for the financial year ended 31<sup>st</sup> March, 2024 is annexed to this Report (**Annexure -3**).

The Certificate of Non-Disqualification of Directors' issued by Smt. Manjula Aleti, Practicing Company Secretary under Schedule V(C) (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI/ Ministry of Corporate Affairs or such statutory authority as on 31<sup>st</sup> March, 2024 is annexed to this Report (**Annexure -4**).

SEBI has made it mandatory on the part of the Listed Companies to secure an Annual Secretarial Compliance Report from a Practicing Company Secretary on compliance of all applicable SEBI Regulations and Circulars / guidelines issued there under. The Company has obtained the Annual Secretarial Compliance Report from Smt. Manjula Aleti, Practicing Company Secretary for the year ended 31<sup>st</sup> March, 2024 and the same is annexed to this Report (**Annexure -5**).

The Auditor's Report and the Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

#### **Compliance with Secretarial Standards**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **Reconciliation of Share Capital Audit**

As required by the SEBI Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Practicing Company Secretary Certificate in regard to the same is submitted to BSE the NSE and is also placed before the Board of Directors.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### Corporate Social Responsibility (CSR)

In compliance with the provisions of Section 134(3)(a) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility (CSR) Policy) Rules 2014, the Company has constituted the CSR Committee comprising of Smt. Hima Bindu Myneni as the Chairperson and Shri P Veeraiah and Shri J S Rao as members. The Committee is responsible for formulating and monitoring the CSR policy of the Company.

The Company during the Financial Years 2020-21 and 2021-22 has spent amounts in excess of its obligation towards the Corporate Social Responsibility and the same were available for set-off. Accordingly, the Company has adjusted a part of the amount available for set-off arising out of the excess spent during FY 2020-21, during the financial years 2022-23 and 2023-24. The balance amount available for set off for the FY 2020-21 has lapsed during the current Financial Year.

However, the excess amount spent of ₹ 14,17,097/- during FY 2021-22 is available for set off during the current year and considering the same, the Company does not foresee any CSR expenditure during the current Financial Year 2024-25, unless the CSR Committee recommends and Board approves any expenditure in this regard.

The annual report on CSR activities forms part of this Report (**Annexure -6**).

### Corporate Governance

As per Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a detailed report on Corporate Governance together with the certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

### Acquisition of shares by Managing Director

During the year under review, in the month of September, 2023, Shri P. Veeraiah, Managing Director has acquired 93,750 shares of the Company on 27.09.2023 through NSE and Company has complied with all provisions of law in this regard.

### Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013.

There are no loans, guarantees or investments made or given under Section 186 of the Companies Act, 2013.

### Disclosure under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has put in place a Policy for Prevention of Sexual Harassment of Women at workplace. Internal Complaints Committee (ICC) has been setup to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

No complaint of sexual harassment has been received during the year under review.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

#### a) Conservation of Energy:

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipment	Nil



**b) Technology Absorption:**

- |  |     |
|--|-----|
| (i) the efforts made towards technology absorption   | Nil |
| (ii) 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  | Nil |
| b) the year of import  | Nil |
| c) whether the technology been fully absorbed  | Nil |
| d) if not fully absorbed, areas where absorption has not taken place and the reasons therefor                                | Nil |
| (iii) the capital investment on energy conservation equipment  | Nil |
| (iv) the expenditure incurred on Research and Development  | Nil |

There is no separate Research and Development Wing as the scale of Company's operations are relatively small. However, the Company has fairly good laboratory with adequate testing facility to ensure quality of various inputs and also finished products. Besides the Company continuously endeavours to improve production process and product quality and encourages the technicians and workers to innovate.

**c) Foreign Exchange earnings and outgo:**

The Company has neither earned nor used any Foreign Exchange during the year under review.

**Vigil Mechanism and Whistle Blower Policy:**

The whistle blower policy aims at conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website : [www.kakatiyacements.com/investors/policies](http://www.kakatiyacements.com/investors/policies) section.

**Environmental Protection:**

The Company has been making endeavors to protect the environment from the evil effects of pollution from time to time. Planting of saplings and seedlings in and around the factories and colonies is being done on a continuous basis so as to develop green belt around the plant to improve the environment.

**Management Discussion and Analysis (MDA) Report**

**a) Statement of Affairs of the Company**

The Company has recorded Cement production of 2,44,020 MT as against 2,59,575 MT in the preceding year, thereby recording a decrease of about 6%.

The Board has pleasure in informing the members that despite the serious impediments encountered by the Sugar Division, it could record 1,14,101 MT of Sugar Cane Crushing in the year under review as against 1,43,140 MT in the preceding year.

The Power Division has its own operational restraints. Members are aware that the Company has not been able to generate power during off-season period in the Sugar Division since the Government of Telangana has not been conceding to the request of the power entities to generate power using coal as an alternative fuel to the bagasse.

During the year under review, the Company has clocked a turnover (excluding other income) of ₹ 155.95 crores compared to ₹ 154.15 crores recorded in the year-ago period. The segmental revenue has increased in Sugar Division and has decreased in Cement and Power Divisions.

**b) Industry Structure and Development:**

The Company has a well developed network of dealers for its Cement Division, located in the states of Telangana and



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Andhra Pradesh and the Company therefore is in a reasonably comfortable position in securing orders from its clients. It is heartening to note that some of the dealers have been patronizing the Company since inception and the strong bondage that is developed between the Company and dealers is one of the prominent features of this mutually beneficial relationship.

While the Company has a well established structure and dealer network, the Company anticipates that it could have some impact on its performance in the current year due to the variation in the prices of Coal and other raw materials of Cement Division. The Company shall endeavour its best to mitigate the fixed overheads to the possible extent, combat the critical challenges and move forward with a committed spirit.

The sugar industry is essentially seasonal in its nature. The availability of cane, good rainfall and proper irrigation facilities are primary issues that determine the fortunes of the industry. The allocation of zonal area to the sugar units by the department is also an important factor as allotment of villages having growth potential for cultivation of cane will facilitate higher cane production alongwith declaration of more remunerative price and other incentives by the Government to encourage sugarcane cultivation, leading to production of higher volumes in the sugar industry.

### **c) Opportunities and Threats:**

The Company is desirous of reaping the benefits of its well positioned dealer network across the states of Telangana and Andhra Pradesh in respect of its cement plant and will make every effort to overcome the bottlenecks in achieving the targeted operations for the current year.

The Government of Telangana has not been permitting power generators to use coal as an alternative fuel during the off season of the sugar industry as a matter of policy which was not the situation a many years ago.

Unless the Government revisits the entire issue keeping in view the interest of entrepreneurs as well as all other stakeholders, it would be difficult for the power generators to survive in the long run as sub-optimal generation of power will seriously impact the viability of the industry.

In the sugar industry, fetching remunerative price for its product, adequate availability of sugar cane with close proximity to the sugar plant and industry-friendly governmental regulations are the key areas of concern.

The Company will make its best endeavors in resolving the complicated issues in the sugar and power divisions through negotiations with governmental authorities and will also liaison with the legal advisers in respect of pending litigations concerning the power division.

However, the Company, with an ability, determination and grit acquired over the years, is in a strong challenging model and combat the critical situations resulting from micro and macro factors.

### **d) Segment or product-wise performance:**

Segment-wise and product-wise performance has been furnished elsewhere in this Report.

### **e) Medium and long term strategy**

The range of market operations in respect of cement product is restricted to the States of Telangana and Andhra Pradesh. The existing production capacity can be optimally utilized in catering to the requirements of the two Telugu states. In the circumstances no medium and long term strategy is being envisaged by the Company in the absence of any immediate plans for expansion.

### **f) Outlook:**

Division-wise outlook has been furnished elsewhere in this Report.

### **g) Risks and concerns:**

The Cement, Sugar and Power industries being core industries, there is no risk of product obsolescence or steep fall in demand by way of product substitution or otherwise and, therefore, your Directors do not foresee any major risks and concerns in the near future except as discussed elsewhere in this Report.

The Company endeavors its best to effect necessary changes, modifications to the machinery and equipment and also to carry out necessary maintenance works to position the machinery in all the divisions in robust condition so as to keep the bottlenecks at bay.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### h) Internal control systems and their adequacy:

As stated elsewhere in this Report, the Company has adequate internal control systems and the Chief Financial Officer will monitor the Internal Audit Reports and brief the Audit Committee in case any deficiency in the system is noticed and corrective measures are adopted to strengthen the system.

### i) Financial Performance with respect to operational performance:

This has been discussed elsewhere in this Report.

### j) Human Resource Development and Industrial Relations:

The Company believes that the quality of its employees is the key to success and is therefore committed to provide necessary human resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancements.

Industrial Relations during the year continued to be cordial through effective communication, meetings and negotiations with the workforce in an informal and congenial atmosphere.

The Company's strength consists of 429 permanent employees as on 31<sup>st</sup> March, 2024.

### k) The details of significant changes (change of 25% or more) as compared to the preceding year in key financial ratios are provided herein below :-

Sl. No.	Particulars	Variation %	Reasons
1.	Debtors Turnover Ratio	*	*Variation is below 25% and need not be reported
2.	Inventory Turnover Ratio	*	*Variation is below 25% and need not be reported
3.	Interest Coverage Ratio	70.25	Loss during the year
4.	Net Profit Margin ( % )	(70.23)	Loss during the year
5.	Return on Net worth	160.66	Increase in EBIT
6.	Operating Profit Margin (%) PBIT	153.61	Reduced in the current year losses

### Cautionary Statement

Statements in this "Management Discussion and Analysis" may be considered to be "forward looking statements" within the meaning of applicable Securities Laws or Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, finished goods prices, raw material availability and prices, cyclical demand and pricing in the Company's markets, changes in Government Regulations, tax regimes besides other factors such as litigations and labour negotiations and health and safety related issues concerning all the stakeholders.

### Acknowledgment

Your Directors take this opportunity to place on record their sincere thanks to the Banks and various departments of the Central and State Governments of Telangana and Andhra Pradesh for their support to the Industry.

Your Directors thank the entire network of dealers who have enabled the Company to achieve the volumes and kept up the rapport and friendly association with the Company.

Your Directors record their appreciation for committed support to the Company by all the employees at all levels throughout the year under reference.

Your Directors record their gratitude to all the Members who have been reposing confidence in the Company and its Management.

By Order of the Board  
for Kakatiya Cement Sugar & Industries Limited

P Veeraiah  
Chairman and Managing Director  
DIN : 00276769

Place : Hyderabad  
Date : 23.05.2024





**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**Annexure -1**

**Form No. AOC – 2**

(pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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 ended 31<sup>st</sup> March, 2024 which were not at arm's length basis.

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

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2024 are as follows:-

Name of Related Party	Nature of relationship	Duration of contract	Salient terms	Amount (₹ in lacs)
<b>Remuneration</b>				
Shri P Veeraiah	Key Managerial Personnel	As per approval of members	As per approval of members	129.26 (129.35)
Dr. P Anuradha	Key Managerial Personnel	As per terms of appointment	As per company's policy	50.80 (45.58)
Shri M Bhavani Dattu	Key Managerial Personnel	As per terms of appointment	As per company's policy	10.80 (10.80)
Shri V Sessa Sayee	Key Managerial Personnel	As per terms of appointment	As per company's policy	24.00 (24.00)
Shri B K Prasad upto 16.07.2022	Key Managerial Personnel	As per terms of appointment	As per company's policy	- (4.80)
<b>Total Remuneration</b>				<b>214.86</b> (214.53)
<b>Rent</b>				
Shri P Veeraiah (HUF)	Key Managerial Personnel/ Promoter	Ongoing	Based on transfer pricing guidelines	34.00 (24.00)
<b>Total Rent</b>				<b>34.00</b>

**By order of the Board  
for Kakatiya Cement Sugar & Industries Limited**

Place : Hyderabad  
Date : 23.05.2024

**P Veeraiah  
Chairman and Managing Director  
DIN : 00276769**



## Annexure - 2

Statement of particulars under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for 2023-2024.

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Shri P. Veeraiah (Chairman and Managing Director)	31.1

(ii) The percentage increase in remuneration of Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the year under review.

Sl. No.	Name	Percentage increase in remuneration
1.	Shri P. Veeraiah (Chairman and Managing Director)	Nil
2.	Dr. P Anuradha (Chief Executive Officer)	11%
3.	Shri M Bhavani Dattu (Chief Financial Officer)	Nil
4.	Shri V Sessa Sayee (Company Secretary & Compliance Officer)	Nil

Non-Executive Directors are paid sitting fee in respect of the Board or Committee Meetings attended by them. No other Remuneration is paid to them.

(iii) The percentage increase in the median remuneration of employees in the year 2023-2024

19.88%

(iv) The number of permanent employees on the rolls of company

429

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last 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

The average increase in the remuneration for the employees (excluding that of Key Managerial Personnel) is 3.30% while it was 3.81% in the previous year.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company

Yes.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

Name of the employee	Age of the employee	Designation of the employee	Gross remuneration received (Rs. In lacs)	Nature of employment whether contractual or otherwise	Qualifications of the employee	Experience of the employee	Date of commencement of employment	The last employment held by such employee before joining the company
Shri P Veeraiah	54 years	Chairman and Managing Director	129.26	Regular	B.Com	26 years	12-05-1998	---
Dr. P Anuradha	46 years	Chief Executive Officer	50.80	Regular	B.D.S, M.B.A, L.L.M	17 years	25-05-2018	---
Shri V Sessa Sayee	59 years	Company Secretary & Compliance Officer	24.00	Regular	B.A, LLB, ACS	35 years	28-03-2022	Dukes Group
Shri M Bhavani Dattu	71 years	Chief Financial Officer	10.80	Regular	M.Com, LLB, ACA, ACS, ACMA,	44 years	18-04-2012	HMT Machine Tools Ltd.

(A) List of top ten employees in terms of remuneration drawn in accordance of Rule 5 (2) and 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(₹ in Lakhs)

Sl. No.	Name	Designation	Remuneration received (₹ in lakhs)	Nature of employment	Qualification and Experience in years	Date of commencement of employment	Age in years	Last employment held	Percentage shares held	Relation ship with directors
1.	Shri P Veeraiah	Chairman and Managing Director	129.26	Regular	B.Com 26 years	12.05.1998	54	--	47.65	--
2.	Dr. P Anuradha	Chief Executive Officer	50.80	Regular	B.D.S, M.B.A, L.L.M 17 years	25.05.2018	46	--	--	--
3.	Shri D Gopala Krishnam Raju	President	28.08	Regular	B.E (Mech) 36 years	14.10.2013	59	Ncl Industries Ltd	--	--
4.	Shri V Sessa Sayee	Company Secretary & Compliance Officer	24.00	Regular	BA, LLB, ACS 35 years	28.03.2022	59	Dukes Group	--	--
5.	Shri M Bhavani Dattu	Chief Financial Officer	10.80	Regular	M.Com ACA, LLB, ACS, ICWA 44 years	18.04.2012	71	HMT Machine Tools Ltd	--	--
6.	Shri Ch Nageswara Rao	Vice President	22.93	Regular	B.E (Mech) ANSI, Kanpur 31 years	07.08.2022	54	Balrampur Group		
7.	Shri B V Sekhar	Sr. Manager Accounts	13.74	Regular	M.Com., MBA 27 Years	19.02.2019	50	Glochem Industries Ltd	--	--
8.	Shri M Vijay Kumar Raju	Manager - Pyro Process	11.59	Regular	BSC 24 years	21.06.2014	42	Bheema Cements	--	--
9.	Shri K Raghunath Babu	Manager (Civil)	10.95	Regular	DCE 34 years	07.09.1990	58	---	--	--
10.	Shri K Venkateswara Rao	Manager Instrumentation	10.34	Regular	DEE 32 years	29.09.1999	58	KIC Ltd	--	--



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

(B) Employee who worked for full financial year 2023-2024 and received aggregate remuneration of not less than one crore and two lakh rupees.

Sl. No.	Name	Designation	Remuneration received (₹ in lakhs)	Nature of employment	Qualification and Experience in years	Date of commencement of employment	Age in year	Last employment held	Percentage shares held	Relationship with directors
1.	Shri P. Veeraiah	Chairman and Managing Director	129.26	Approved by Members	B.Com 26 years	05.12.1998	54	---	47.65	--

(C) There was no employee who worked for a part of the Financial Year 2023-2024 and received aggregate remuneration of not less than ₹8,50,000 per month.

**By Order of the Board  
for Kakatiya Cement Sugar & Industries Limited**

Place : Hyderabad  
Date : 23.05.2024

**P. Veeraiah  
Chairman and Managing Director  
DIN: 00276769**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024

[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 of  
**Kakatiya Cement Sugar & Industries Limited**  
CIN: L26942TG1979PLC002485  
1-10-140/1, Gurukrupa  
Ashoknagar, Hyderabad-500020

I have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Kakatiya Cement Sugar & Industries Limited** (hereinafter called the "Company") for the **Financial Year ended 31<sup>st</sup> March, 2024**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed with Ministry of Corporate Affairs, Stock Exchanges and other Regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the **financial year ended 31<sup>st</sup> March, 2024** complied with statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed with Ministry of Corporate Affairs, Stock Exchanges and other Regulatory authorities and other records maintained by the Company for the **financial year ended on 31<sup>st</sup> March, 2024** 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) 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 (Prohibition of Insider Trading) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (v) The compliances under the following Acts and the Rules/Regulations prescribed thereunder were also examined by me :
  - a. The Explosives Act, 1884
  - b. The Mines Act, 1952
  - c. The Telangana Sugarcane (Regulation of Supply and Purchase) Act, 1961
  - d. Environment Protection Act, 1986
  - e. The Minimum Wages Act, 1948
  - f. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952
  - g. Factories Act, 1948
  - h. Employees' State Insurance Act, 1948
  - i. The Payment of Wages Act, 1936
  - j. The Payment of Bonus Act, 1965



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the financial year under review:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
- g. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

I report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of Statutory Audit and by other designated professionals.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) Listing Regulations and uniform Listing Agreement entered into by the Company with the BSE Ltd and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review, the Company, **except one instance mentioned hereunder**, has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

During the year under review, the BSE Limited and National Stock Exchange of India Limited have imposed fine of ₹ 1,04,000/- each (excluding GST) alleging non-compliance with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the appointment of Shri Vankineni Siva Rama Krishna Murthy as a Non-Executive Independent Director of the Company w.e.f. 04.08.2023. In order to avoid any unpleasant situations, the Company has paid the said penalty along with GST and submitted applications seeking waiver of the said penalty. I am informed that the Company has not received any final communication in this regard.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including an Independent Woman Director. The changes that have taken place in the composition of the Board of Directors were in compliance with the provisions of the Act.
- Adequate notice is given to all 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 the directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or various Committees of the Board, as the case may be.

I further report that, as per the explanations given to me and the representation made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, there were no other specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

**CS Manjula Aleti**  
**Practicing Company Secretary**  
FCS : 10380, COP : 13279  
Peer Review Certificate No. 803/2020  
UDIN: F010380F000344472

Place: Hyderabad

Date : 10.05.2024

**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.



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**Annexure - A**

To,  
The Members of  
**Kakatiya Cement Sugar & Industries Limited**  
CIN: L26942TG1979PLC002485  
1-10-140/1, Gurukrupa  
Ashoknagar, Hyderabad-500020

**Management Responsibility:**

It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility:**

My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer:**

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.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Place: Hyderabad  
Date : 10.05.2024

**CS Manjula Aleti**  
**Practicing Company Secretary**  
FCS : 10380, COP : 13279  
Peer Review Certificate No. 803/2020  
UDIN: F010380F000344472



**Certificate of Non-Disqualification of Director**

The Members

**Kakatiya Cement Sugar & Industries Limited**

1-10-140/1, Gurukrupa

Ashok Nagar

Hyderabad-500020

**SUB: Certificate under Schedule V (C)(10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

I, Manjula Aleti, Practicing Company Secretary, have examined the records, books and papers of **Kakatiya Cement Sugar & Industries Limited** (CIN:L26942TG1979PLC002485) having its registered office at 1-10-140/1, "GURUKRUPA", Ashok Nagar, Hyderabad-500 020, Telangana State, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 other applicable rules and regulations made there under for Financial year ending 31<sup>st</sup> March, 2024.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the company, its officers and agents, I certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on 31<sup>st</sup> March, 2024.

SL.No	Name of the Director	Designation	DIN No
1	Veeraiah Pallemati	Chairman and Managing Director	00276769
2	Ramesh Chandra Bose Tummala	Independent Director	00160630
3	Seshagiri Rao Jasti	Non- Executive Director	00029090
4	Venkata Subbaiah Boddu	Independent Director	01147062
5	Siva Rama Krishna Murthy Vankineni	Independent Director	03642007
6	Varalakshmi Masina	Non- Executive Director	07585164
7	Hima Bindu Myneni	Independent Director	07120807

Place: Hyderabad

Date : 10.05.2024

**CS Manjula Aleti**  
**Practicing Company Secretary**  
FCS : 10380, COP : 13279  
UDIN: F010380F000345187  
Peer Review Certificate No.:803/2020





**SECRETARIAL COMPLIANCE REPORT**

For the year ended 31<sup>st</sup> March, 2024

To,

**Kakatiya Cement Sugar & Industries Limited**

**[CIN:-L26942TG1979PLC002485]**

1-10-140/1, Gururupa

Ashok Nagar

Hyderabad-500020

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Kakatiya Cement Sugar & Industries Limited (hereinafter referred as 'the listed entity'), having its registered office at 1-10-140, Gururupa, Ashoknagar, Hyderabad, Telangana, India - 500020. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

I, Manjula Aleti, Practicing Company Secretary have examined:

- (a) all the documents and records made available to me and explanation provided by the listed entity,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) all other documents/ filings that are found to be relevant, which has been relied upon to make this certification,

**for the year ended 31<sup>st</sup> March, 2024 (Review period) in respect of compliance with the provisions of:**

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under 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 there under, 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 (Prohibition of Insider Trading) Regulations, 2015;
- 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)**;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable)**;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable)**;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not Applicable)**;
- h) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable)**;
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and 2018 **(Not Applicable)**;

and circulars /guidelines issued there under;

I, hereby report that, during the Review Period the compliance status of the listed entity is appended below:



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

Sr.No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<p><b><u>Secretarial Standards:</u></b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) as notified by the central Government under section 118(10) of the Companies Act, 2013 and Mandatorily applicable.</p>	Yes	---
2.	<p><b><u>Adoption and timely updation of the Policies:</u></b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/ circulars/ guidelines issued by SEBI</li> </ul>	Yes Yes	--- ---
3.	<p><b><u>Maintenance and disclosures on Website:</u></b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li> </ul>	Yes Yes Yes	--- --- ---
4.	<p><b><u>Disqualification of Director:</u></b></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Listed entity.</p>	Yes	---
5.	<p><b><u>Details related to Subsidiaries of listed entities:</u></b></p> <p>a. Identification of material subsidiary companies</p> <p>b. Disclosure requirements of material as well as other subsidiaries</p>	NA NA	The Company does not have any subsidiaries.
6.	<p><b><u>Preservation of Documents:</u></b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	---
7.	<p><b><u>Performance Evaluation:</u></b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	Yes	---
8.	<p><b><u>Related Party Transactions:</u></b></p> <p>a. The listed entity has obtained prior approval of Audit Committee for all Related party Transactions</p> <p>a. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee</p>	Yes NA	--- ---
9.	<p><b><u>Disclosure of events or information:</u></b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.</p>	Yes	---



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

Sr.No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
10.	<b><u>Prohibition of Insider Trading:</u></b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	--
11.	<b><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></b> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	The BSE Limited and National Stock Exchange of India Limited have each levied fine of ₹ 1,04,000/- plus GST for alleged non-compliance with the provisions of Regulation 17(1A) of SEBI (LODR) Regulations, 2015.  Except the above, no other actions were taken by SEBI or Stock Exchanges.  Company has paid the fee and applied for waiver of fine levied, to both the stock exchanges and the final decision of the exchanges is yet to be received.	Company has applied for waiver of fine levied and the action taken by the Company is self-explanatory.
12.	<b><u>Additional Non-compliances, if any:</u></b> No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	No non-compliance observed	

**Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019:**

Sr.No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	I. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	---
	II. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	---
	III. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	---



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

Sr.No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
2.	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	<p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p>	<p>---</p> <p>---</p> <p>---</p> <p>---</p> <p>---</p> <p>---</p> <p>---</p>
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18 <sup>th</sup> October, 2019.	NA	---



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**a) The listed entity has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-**

Sr.No	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	SEBI (LODR) Regulations, 2015	17(1A)	Alleged non-compliance at the time of appointment of Shri Vankineni Siva Rama Krishna Murthy as an Independent Director	Fine levied by both BSE Limited and National Stock Exchange of India Limited	Fine levied	Alleged non-compliance at the time of appointment of Shri Vankineni Siva Rama Krishna Murthy as an Independent Director and not obtaining the approval of the Members prior to the appointment since the appointee has crossed 75 years of age	₹1,04,000 plus GST each by both the Stock Exchanges	Action taken by the Company is self-explanatory.	Company has already paid the fine levied to both the stock exchanges and has submitted its application seeking waiver of the fine levied in accordance with the provisions of SOP for waiver of fees. Company has not received any final communication from the Stock Exchanges in this regard.	

**b) The listed entity has taken the following actions to comply with the observations made in previous reports:**

Sr.No	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
----- Not Applicable-----										

In addition to the above confirmations, I hereby report that during the Review period :

- 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 my examination of those records.
- There are no instances found to me in the listed entity to qualify the report with any observations.

**CS Manjula Aleti**  
**Practicing Company Secretary**  
FCS:10380, COP:13279  
(UDIN:F010380F000344551)  
Peer Review Certificate No.803/2020

Place: Hyderabad  
Date: 10.05.2024



**Annexure - 6**

**Annual Report on Corporate Social Responsibility (CSR) Activities:  
CSR REPORT 2023-2024**

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

Social and environmental responsibility has always been at the forefront of our operating philosophy and the Company has consistently contributed to socially responsible activities. CSR portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with.

As a responsible corporate citizen, it tries to contribute to social and environmental causes on a consistent basis. We believe that to succeed, an organization must maintain high standards of corporate behavior towards its stakeholders i.e. employees, consumers and society in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value to our stakeholders' lives.

The CSR policy is rooted in the Company's philosophy and imbued with the values of quality, reliability, best practices and driven by our aspiration for excellence in the overall performance of our business.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri K Venkat Rao*	Independent, Non-executive	2	1
2.	Shri P Veeraiah	Member / Managing Director (Executive)	2	2
3.	Shri J S Rao	Member / Non-Independent Non-Executive	2	2
4.	Smt. Hima Bindu Myneni @	Chairperson/Independent, Non-Executive	2	1

\*Resigned as Chairman w.e.f. 22.05.2023

@ Appointed as Chairperson w.e.f. 22.05.2023

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.	<a href="http://www.kakatiyacements.com/images/csrpolicy.pdf">http://www.kakatiyacements.com/images/csrpolicy.pdf</a>
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	₹ 79,88,504 Nil

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.	2020-2021	₹ 65,71,407	Nil
2.	2021-2022	₹ 14,17,097	Nil

6.	Average net profit of the Company as per section 135(5).	Nil
7.	(a) Two percent of average net profit of the Company as per section 135(5)	Nil
	(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).	Nil



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

8.	(a)	<b>CSR amount spent or unspent for the financial year:</b>				
<b>Total Amount Spent for the Financial Year (in ₹)</b>	<b>Amount Unspent (in ₹)</b>					
	<b>Total Amount transferred to Unspent CSR Account as per section 135 (6)</b>		<b>Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</b>			
	<b>Amount</b>	<b>Date of transfer</b>	<b>Name of the Fund</b>	<b>Amount</b>	<b>Date of transfer</b>	
₹ 1,98,820	NA	NA	NA	NA	NA	

8.	(b)	<b>Details of CSR amount spent against ongoing projects for the financial year:</b>										
(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.
				NA								

8.	(c)	<b>Details of CSR amount spent against (other than ongoing projects) for the financial year:</b>									
(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	Registration number		
1	Donation for promoting education including special education of children who are deaf	Item X	No	Telangana	Hyderabad	1,00,000	No	Hyderabad Foundation deaf women	CSR00016117		
2	Donation for providing Food	Item X	Yes	Telangana	Hyderabad	98,820	No	International Society for Krishna Consciousness	CSR00005241		

8.	(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)	₹ 1,98,820
	(g)	Excess amount for set off, if any	₹ 1,98,820
	(i)	Two percent of average net profit of the company as per section 135(5)	Nil
	(ii)	Total amount spent for the Financial Year	₹ 1,98,820
	(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
	(v)	Amount available for set off in succeeding financial years [(iii) - (iv) ]	Nil



**KAKATIYA CEMENT SUGAR &  
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**Note:**

1. As the Net Profit during the preceding financial year 2022-2023 was negative, the Company was not required to spend any amount towards the Corporate Social Responsibilities activities during the financial year 2023-2024.
2. In respect of the Financial Year ending 31<sup>st</sup> March, 2024 there is no amount available for set off in succeeding financial years.
3. The un-utilised set off amount of ₹ 65,71,407/-, being the excess spent for the financial year 2020-21 lapses and cannot be carried forward.
4. The surplus available of ₹ 14,17,097/- for set off in the subsequent years as on 31<sup>st</sup> March, 2024 pertains to financial year 2021-22.

9.	(a)	Details of Unspent CSR amount for the preceding three financial years:					
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), If any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
NA							

9.	(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
			NA					

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							NA
10.	(a)	Date of creation or acquisition of the capital asset(s).						NA
10.	(b)	Amount of CSR spent for creation or acquisition of capital asset						NA
10.	(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc						NA
10.	(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)						NA
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)							NA

**Hima Bindu Myneni**  
Chairperson (CSR Committee)  
DIN: 07120807

P Veeraiah  
Chairman and Managing Director  
Member  
DIN: 00276769





## **CORPORATE GOVERNANCE REPORT:**

**Report pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Company furnishes herein below the details of compliance with the requirements of the Corporate Governance:-

### **A) Related Party Transactions Disclosures:**

The transactions with related parties are disclosed in notes to accounts forming part of the Annual Report. All the transactions with related parties are at arm's length and in compliance with the requirements. The related party transactions are approved by the Audit Committee and noted by the Board. The transactions for which the Audit Committee has given omnibus approval are periodically reviewed by the Committee and the Board.

In terms of the Companies Act, 2013 and as envisaged under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine related party transactions. The policy can be viewed on the website of the Company at [www.kakatiyacements.com](http://www.kakatiyacements.com) in Code of Conduct Section of the Corporate Info.

### **B) Management Discussion and Analysis (MDA) Report:**

- I. The Report on MDA has been included in the Directors' Report and forms part of the Annual Report.
- II. Disclosure of Accounting Treatment: The Company has followed the accounting standards in preparation of its financial statements.

### **C) Corporate Governance Report:**

#### **The Corporate Governance Code and Company's philosophy**

Your Company is committed to implement sound corporate governance practices with a view to bring about accountability and transparency in its operations and thereby meet the aspirations of the shareholders and societal expectations. The Company's corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high level of integrity in decision making with an objective to enhance the value to the stakeholders.

#### **Board of Directors:**

As on 31<sup>st</sup> March, 2024, the Board of Directors (Board) comprised of 7 (Seven) Directors of which 6 (Six) are Non-Executive Directors including 4 (Four) Independent Directors.

SI. No.	Name of the Director	DIN No.	Designation and Category	No. of Board Meetings held	No. of Board Meetings Attended	Whether attended the last Annual General Meeting	Director ship in other Boards *	Member ship in other Committees of the Company §
01.	Shri P Veeraiah	00276769	Chairman & Managing Director Executive	4	4	YES	0	0
02.	Shri T R C Bose @	00160630	Independent Director	4	3	YES	7	3
03.	Shri J S Rao	00029090	Non Executive Director	4	4	NO	7	1
04.	Shri B V Subbaiah @	01147062	Independent Director	4	4	NO	1	3
05.	Shri K Venkat Rao &	06566627	Independent Director	1	1	NA	0	1
06.	Smt. M Varalakshmi	07585164	Non Executive Director	4	2	YES	0	2
07.	Smt. Hima Bindu Myneni	07120807	Independent Director	4	3	No	11	1
08.	Shri Vankineni Siva Ramakrishna Murthy §	03642007	Independent Director	3	3	YES	1	0
09	Shri Karumanchi Rama Rao #	07532854	Independent Director	0	0	NA	NA	NA



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

@ Shri T R C Bose and Shri B V Subbaiah, Non-Executive Independent Directors have completed their second tenure of five years on 31.03.2024.

& Resigned as an Independent Director w.e.f. 1<sup>st</sup> June, 2023.

\$ Appointed as a Non-Executive Independent Director w.e.f. 04.08.2023

# Appointed as a Non-Executive Independent Director w.e.f. 01.04.2024.

\* includes Private Companies

8 Memberships in Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee have been considered.

The Board has an optimum combination of executive, non-executive and independent directors and the composition of the Board is in conformity with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Board Meetings were held during the year under review. These were held on 22.05.2023, 04.08.2023, 02.11.2023 and 13.02.2024. The Maximum gap between any of two consecutive meetings did not exceed 120 days.

### Disclosure of Relationship between Directors inter-se:

None of the Directors are related to each other inter-se.

### Shareholding of Non-Executive Directors in the company

The number of equity shares of the Company held by Non-Executive Directors as on 31<sup>st</sup> March, 2024 are as detailed herein below:

Sl.No.	Name of the Director	No. of Equity Shares held in the Company
1.	Shri J S Rao	10,000
2.	Shri T R C Bose	Nil
3.	Shri B V Subbaiah	Nil
4.	Smt. M Varalakshmi	Nil
5.	Smt. Hima Bindu Myneni	Nil
6.	Shri V Sivarama Krishna Murthy	Nil

### Particulars of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sl. No.	Name of the appointee	Shri J S Rao (DIN 00029090)
1.	Date of Birth	18/07/1953
2.	Qualification	B.E
3.	Date of first Appointment	09/07/1979
4.	Expertise in the specific functional areas	43 years of rich and varied experience in operations of Cement Plants.
5.	Nature of appointment	Retiring by rotation and being eligible offers himself for re-appointment.
6.	Occupation	Industrialist
7.	Terms and conditions of appointment or re-appointment along with details of Remuneration sought to be paid and remuneration last drawn	He is a Non-Executive Director. No remuneration is paid to the Non-Executive Directors except payment of sitting fee and reimbursement of expenses incurred for attending the Board / Committee Meetings attended by them.
8.	Shareholding of Kakatiya Cement Sugar and Industries Limited (as on 31.03.2024)	10,000 shares
9.	No. of Listed entities in which committee membership / chairmanship held	2
10.	Membership / chairmanship of Committee in this Company	Member of Audit Committee and Corporate Social Responsibilities Committee
11.	No. of Listed entities in which Directorship held (including this Company)	2
12.	Details of Listed entities from which the person has resigned in the last three years	Not Applicable
13.	Inter-se relationship with any other director, or KMP	Not applicable
14.	No. of Board Meetings attended during the year	4 (Four)



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

**Chart setting out the skills/ expertise/ competence of the Board of Directors in terms of Clause 2 (h) Part C of Schedule V: Annual Report and under Regulation 34 (3) 53 (f) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**

Sl.No.	Name of the Director	Category	Specialisation
01.	Shri P. Veeraiah	Chairman & Managing Director (Promoter)	A Graduate in Commerce having nearly 26 years of experience in Cement Industry.
02.	Shri T.R.C. Bose (Up to 31.03.2024)	Independent Director	A reputed Engineer by profession, having rich and varied experience in Technical Consultancy and Corporate Affairs and General Administration.
03.	Shri J.S. Rao	Non-Executive Director (Promoter Group)	An Engineer having rich and varied experience in operations of Cement Plant and also managing his own cement Company.
04.	Shri B.V. Subbaiah (Up to 31.03.2024)	Independent Director	A reputed Legal professional having rich and varied experience in civil, corporate and constitutional matters.
05.	Shri K. Venkat Rao (Up to 01.06.2023)	Independent Director	A well-known Engineer having rich and varied experience in Construction, Software Development and general Corporate Affairs.
06.	Smt. M. Varalakshmi	Non-Executive Director	A Science Graduate having nearly four decades experience in Accounts and Banking operations.
07.	Smt. Hima Bindu Myneni	Independent Director	A Fellow Member of the Institute of Chartered Accountants of India having varied experience in Audit, Taxation, Project and Financial Consultancy.
08.	Shri V Siva Ramakrishna Murthy (from 04.08.2023)	Independent Director (w.e.f. 04.08.2023)	An Electrical Engineer having varied experience in Distribution, Generation (O&M of Power stations), Project Planning, Manpower Planning, Human Resources Development and Construction.
09.	Shri Karumanchi Rama Rao (from 01.04.2024)	Independent Director (w.e.f. 01.04.2024)	A Fellow Member of the Institute of Chartered Accountants of India with more than Thirty Three (33) years of experience in Accounts, Financial Management & Planning, Auditing and as an advisor of Portfolio Management Services.

The Board can meet, fulfill and satisfy the core skills / expertise / competence identified by the Board as required in the context of an efficient functioning of its business.

### General Body Meetings:

The last three Annual General Meetings were held as under:

Sl. No.	AGM/ EGM	Location	Date and Time	Whether any special resolutions were passed	Postal Ballots
01.	EGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	27.03.2024 3.30 P.M.	YES	NO
01.	44 <sup>th</sup> AGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	25.09.2023 10.00 A.M	YES	NO
02	43 <sup>rd</sup> AGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	08.09.2022 11.00 A.M	NO	NO
03.	42 <sup>nd</sup> AGM	Through video conferencing (VC) for e-AGM	02.09.2021 11.00 A.M	NO	NO



### **Independent Directors' Meeting**

During the year under review, the Independent Directors met on 27<sup>th</sup> March, 2024, inter- alia, to discuss:

- a) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- c) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting and expressed satisfaction with performance of the Directors and of the Board as a whole.

### **Familiarisation Programmes for Directors**

As part of the Corporate Governance, the company conducts Familiarisation Programmes for Independent Directors and other Directors who are inducted into the Board to enable the incumbent Directors to understand the business, culture and processes of the company.

During the year under review, Shri Vankineni Siva Ramakrishna Murthy was inducted as a Non-Executive Independent Director of the Company for a period of 5 (Five) years w.e.f. 04.08.2023.

The Familiarisation Programme is not a one-time affair that is conducted at the time of induction of a new Director. Such Familiarisation Programmes are also conducted during the year for the benefit of the Board. The Company presents in an informal manner programmes to familiarize the Board members with the strategy, operations and functions of the Company besides providing updates on relevant legislations to ensure that the Board Members are kept abreast of these Regulations.

These are normally done after conclusion of the Board and Committee Meetings or at any other convenient time.

Three Familiarisation Programmes were conducted to the following Board Members during 2023-2024.

Sl.No.	Name of Director	No.of Programmes	No. of hours spent	Cumulative No.of hours spent
1.	Shri T R C Bose	3	4	30
2.	Shri B V Subbaiah	3	4	30
3.	Shri K Venkat Rao	1	1	25
4.	Smt. M Varalakshmi	3	3	18
5.	Shri JS Rao	3	4	20
6.	Smt. Hima Bindu Myneni	3	4	10
7.	Shri V Siva Ramakrishna Murthy	2	3	3

Web link where details regarding Familiarisation Programme for Board Members can be viewed: [www.kakatiyacements.com/Investors/Policies](http://www.kakatiyacements.com/Investors/Policies) section

### **Performance Evaluation of Independent Directors**

The Performance evaluation of Independent Directors shall be done by the entire Board excluding the Director being evaluated. There are various parameters based on which the performance of the Independent Directors is evaluated which include participation at the Board / Committee Meetings, guidance provided to Senior Management outside of Board/Committee Meetings, effective deployment of knowledge and expertise, integrity and maintaining of confidentiality, independence of behavior and judgment, impact and influence, exercise of objective independent judgment in the best interest of the Company, ability in monitoring Corporate Governance practices and adherence to the Code of Conduct for Independent Directors.

The Board ensures formation and monitoring of robust evaluation frame work of Individual Directors including Chairman of the Board, Board as whole and various Committees thereof and carries out the evaluation on an annual basis.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The Board evaluation for the financial year ending 31<sup>st</sup> March, 2024 has been completed by the company internally which included the evaluation of the performance of the Board as a whole, its Committees and Directors individually and results of the same were informally shared with the Board.

### Committees of the Board

#### Audit Committee:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and Regulation 18 of the Listing Regulations and, inter alia includes:

- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the financial reports of the Company and internal control systems. Examination of scope of audit and observations of the Auditors / Internal Auditors and overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.;
- To call for the comments of the auditors about internal control systems, scope of audit, including the observations of the auditors and review of financial statements before their submission to the Board and also to discuss any related issues with the internal and statutory auditors and the management of the Company;
- To evaluate internal financial controls and risk management systems;
- To, inter-alia, review Management Discussion and Analysis of financial conditions, results of operations and Statement of Significant Related Party transactions submitted by the management before submission to the Board;
- To investigate into any matter in relation to the items referred to it by the Board and for this purpose obtain professional advice from external sources, if required;
- To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report;
- To approve Related Party Transactions.
- Reviewing the functioning of the Whistle Blower mechanism;
- Recommending the appointment, re-appointment, and if required, the replacement or removal of the statutory auditors, internal auditors, cost auditors and fixation of audit fee and approval for payment for any other services.

#### Audit Committee meetings and attendance during the financial year ended 31<sup>st</sup> March, 2024:

Four Audit Committee meetings were held during the year under review on 22.05.2023, 03.08.2023, 02.11.2023 and 13.02.2024 and the attendance details are as under:

Name of the Director	Designation	No. of Meetings attended
Smt. Hima Bindu Myneni	Chairperson	3
Shri J S Rao	Member	4
Shri T R C Bose @	Member	3
Shri B V Subbaiah @	Member	4
Shri V Siva Ramakrishna Murthy #	Member	0

The maximum gap between any two consecutive meetings was not more than 120 days.

@ Shri T R C Bose and Shri B V Subbaiah have ceased to be Members of the Committee consequent upon the completion of their second term of appointment on 31.03.2024.

#Appointed as a member w.e.f. 01.04.2024

#### Nomination and Remuneration Committee:

##### Terms of Reference

The main scope of the Nomination and Remuneration Committee is to determine and recommend to the Board the persons to be appointed / re-appointed as Executive Directors / Non-Executive Directors/KMPs.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The committee also determines and recommends to the Board the financial component. The compensation of the Executive Directors comprises of fixed components and may also include commission based on the profits earned by the Company.

The compensation is determined based on the levels of responsibility and the parameters prevailing in the industry. The Executive Directors are not paid any sitting fee for Board / Committee meetings attended by them. The Non-Executive Directors are paid sitting fee and re-imbursment of expenses for Board / Committee Meetings attended by them and no other payment is made to them.

The Nomination and Remuneration Committee examines and devises a policy on Board diversity and to formulate criteria for determining qualifications, experience, positive attributes and independence. It also recommends to the Board the factors to be reckoned with in determining the remuneration payable to the Directors/KMPs.

The Board constituted a Nomination and Remuneration Committee consisting of the following Directors with the role and responsibility duly defined and in accordance with the applicable statutory and other requirements.

Two Nomination and Remuneration Committee meetings were held during the year under review on 28.07.2023 and 31.01.2024.

Name of the Director	Designation	Category	Attendance
Shri T R C Bose @	Chairman	Non- Executive / Independent	2
Shri B V Subbaiah @	Member	Non -Executive / Independent	2
Smt. M Varalakshmi	Member	Non-Executive	2
Shri V Siva Ramakrishna Murthy #	Chairman	Non -Executive / Independent	-
Shri Karumanchi Rama Rao #	Member	Non -Executive / Independent	-

@ Shri T R C Bose and Shri B V Subbaiah have ceased to be Members of the Committee consequent upon the completion of their second term of appointment on 31.03.2024.

#Appointed as a Member w.e.f. 01.04.2024.

### **Stakeholders Relationship Committee:**

#### **Terms of reference:**

The Committee is constituted to

- address complaints/grievances of the shareholders regarding transfer/ transmission of shares, non-receipt of share certificates, dividends, annual reports and such other matters.
- Review the effectiveness of the services rendered by Registrar & Share Transfer Agent M/s. XL Softech Systems Limited.
- Review the measures taken to ensure that the shareholders receive dividend on time and also to reduce the unclaimed dividend amount.

Four Stakeholders Relationship Committee meetings were held during the year under review on 20.05.2023, 03.08.2023, 31.10.2023 and 12.02.2024 and the attendance details are as under:

#### **The Constitution of the Committee and the attendance at its meetings are given hereunder:**

Name of the Director	Designation	No. of Meetings attended
Shri T R C Bose @	Chairman	4
Shri B V Subbaiah @	Member	4
Smt. M. Varalakshmi	Member	2
Smt. Hima Bindu Myneni #	Chairperson	-
Shri V Siva Ramakrishna Murthy #	Member	-



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

@ Shri T R C Bose and Shri B V Subbaiah have ceased to be Members of the Committee consequent upon the completion of their second term of appointment on 31.03.2024.

#Appointed w.e.f.01.04.2024.

### Compliance Officer :

Shri V. Sessa Sayee (Up to 31.05.2024)

Shri M.V.R.L.S Rao (From 01.06.2024)

No. of shareholder complaints received during the year under review : 3

No. of complaints resolved to the satisfaction of shareholders : 3

No. of Pending complaints: Nil

**Email ID of Investor grievances :** shares@kakatiyacements.com and xlfield@gmail.com

### Risk Management Committee:

The constitution of the Risk Management Committee is a non-mandatory requirement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The objective behind constitution of the Risk Management Committee is to identify risk, develop appropriate risk mitigation strategies and to monitor activities of the organization and also to highlight the systematic study safeguards against threats, loss and damages of brand, reputation and assets of the Company. Improvement of level of awareness and appreciating and managing material business risks are also the objectives of the Risk Management Committee.

The Committee, besides identifying the risk factors, is also expected to manage and monitor risk and ensure that proper internal systems and processes are in place.

### Directors constituting the Risk Management Committee:

Name of the Director	Designation
Shri P Veeraiah	Chairman
Shri B. V. Subbaiah @	Member
Shri K Venkat Rao \$	Member
Shri Karumanchi Rama Rao #	Member

@ Shri B V Subbaiah ceased to be a member of the Committee consequent upon completion of his second term of Appointment on 31.03.2024.

\$ Ceased to be a Member w.e.f. 22.05.2023.

#Appointed as a Member w.e.f.01.04.2024.

The Risk Management Committee met once on 27.03.2024 during the year under review whereat both the Directors were present in addition to other Members.

### Corporate Social Responsibility (CSR) Committee:

The Company has constituted a committee to formulate the CSR Policy and to implement certain activities as envisaged in Schedule VII of the Companies Act, 2013 read with Rules prescribed there under.

Two CSR Committee meetings were held during the year under review on 13.05.2023 and 31.01.2024.

### Composition of the CSR Committee

Name of the Director	Designation	Attendance
Shri K Venkat Rao *	Chairman	1
Shri P Veeraiah	Member	2
Shri J S Rao	Member	2
Smt. Hima Bindu Myneni @	Chairperson	1

\* Ceased to be a Member of the Committee w.e.f. 22.05.2023

@ Appointed as a Member w.e.f. 22.05.2023



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### Payment of fee to the Statutory Auditors

Given below are the details of fee paid to M/s. M. Anandam & Co, Chartered Accountants, Statutory Auditors of the Company during the financial year ended 31<sup>st</sup> March, 2024:

Sl.No.	Payments to the Statutory Auditors	₹ in lakhs
1.	for Statutory Audit	5.00
2.	for Limited Review Reports	1.50
3.	for Tax Audit	1.25
4.	Reimbursement of expenses	---
<b>Total</b>		<b>7.75</b>

\* excluding applicable taxes

### Code of Conduct:

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with by all members of the Board and Senior Management personnel of the Company. An affirmation of the compliance with the Code has been received from them in respect of the financial year ended 31st March, 2024.

### Code of Conduct for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The insider trading code is applicable to all Directors, Designated employees and their immediate relatives. The code lays down the procedures and guidelines to be followed and disclosures to be made while dealing in the securities of the Company. Dealings, if any, by the Directors and Designated employees in respect of the company's scrip and matters related to insider trading code are reported to the Audit Committee on quarterly basis.

### Other Disclosures:

#### Related Party Transactions:

During the year ended 31<sup>st</sup> March, 2024, there were no materially significant related party transactions which had potential conflict with the interest of the Company at large. The transactions with related parties are disclosed in the notes to the Annual Accounts and also as an Annexure to Directors' Report in form AOC-2.

#### Disclosures pertaining to Large Corporate Entities:

Your Company does not fall under the category of Large Corporate Entity as per SEBI guidelines. Hence the requirement of complying with the Annual Disclosures for the Financial Year ended 31<sup>st</sup> March, 2024 is not applicable to the Company.

#### Details of non-compliances, if any:

A statement of compliances with all laws and regulations as certified by the Managing Director and Company Secretary are placed at periodic intervals before the Board.

During the year under review, the BSE Limited and National Stock Exchange of India Limited have imposed fine of ₹ 1,04,000/- each (excluding GST) alleging non-compliance with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the appointment of Shri Vankineni Siva Ramakrishna Murthy as a Non-Executive Independent Director of the Company w.e.f. 04.08.2023. In order to avoid any unpleasant situation, the Company has paid the said penalty alongwith GST and submitted applications seeking waiver of the said penalty. The Company has not received any final communication in this regard.

Other than the above, no other penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority during the year under review. The Company's shares were not suspended at any point of time.





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The Disclosure of compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance status (Yes/No)
17	Board of Directors	Yes For Regulation 17(1A) refer the above point on non-compliance
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee (Non-mandatory)	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	N.A
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

### **Certification by Chairman and Managing Director and Chief Financial Officer:**

The Chairman and Managing Director and Chief Financial Officer have furnished a certificate to the Board as contemplated in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Disclosure of Material Events:**

The Company has adopted a policy on determining materiality of an event or information and furnishing the same to Stock Exchanges in accordance with Regulation 30 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Adoption of Policy on Preservation of Documents:**

The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Adoption of Discretionary Requirements**

The Company has complied with mandatory requirements of Corporate Governance as per SEBI Listing Regulations. We have yet to adopt the Discretionary Requirements.

### **Means of Communication:**

Quarterly/Half-Yearly and Annual Financial Results of the Company are filed with National Stock Exchange of India Limited and BSE Limited and generally published in Financial Express and Andhra Prabha (Telugu Daily). Half Yearly reports are not sent to shareholders separately. The Results are also available on Company's website: [www.kakatiyacements.com](http://www.kakatiyacements.com). The Company has not made any presentations to investors / analysts during the year.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### General Shareholder Information:

- a) Annual General Meeting : 45<sup>th</sup> Annual General Meeting  
 Date : 29<sup>th</sup> August, 2024  
 Time : 11.00 A.M  
 Venue : Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad – 500 020.
- b) Financial Calendar : 1<sup>st</sup> April to 31<sup>st</sup> March  
 The schedule for considering Financial Results  
 Quarter ended June, 2024 On or before August 14, 2024  
 Quarter ended September, 2024 On or before November 15, 2024  
 Quarter ended December, 2024 On or before February 15, 2025  
 Quarter and Year ended March, 2025 On or before May, 2025
- c) Date(s) of Book closure : 23<sup>rd</sup> August, 2024 to 29<sup>th</sup> August, 2024 (both days inclusive)
- d) Dividend payment date : On or before September 28, 2024.
- e) Registered Office : KAKATIYA CEMENT SUGAR & INDUSTRIES LTD.,  
 1-10-140/1, "GURUKRUPA", Ashok Nagar,  
 HYDERABAD - 500 020.  
 Phone:040-27637717/27633627  
 CIN:L26942TG1979PLC002485  
 e-mail : shares@kakatiyacements.com
- f) Listing on Stock Exchanges : The National Stock Exchange of India Ltd.,  
 Exchange Plaza, 5th Floor, Plot No. C/1, G Block,  
 Bandra – Kurla Complex, Bandra (E),  
**MUMBAI – 400 051.**  
 BSE Limited,  
 Floor 25, P.J. Towers, Dalal Street,  
**MUMBAI – 400 001.**
- g) Code/Symbol : NSE – KAKATCEM  
 BSE – 500234  
 ISIN for NSDL & CDSL: INE437B01014
- h) Market Price Data: (Source: NSE & BSE Quotations)

Month and Year	National Stock Exchange of India Limited			BSE Limited		
	High ₹	Low ₹	No. of Shares Traded	High ₹	Low ₹	No. of Shares Traded
April 2023	207.95	188.55	141335	210.00	185.00	14599
May 2023	224.40	196.55	231952	233.00	194.00	33663
June 2023	229.75	197.85	331086	229.95	195.05	37480
July 2023	221.00	207.10	320271	240.00	200.00	57876
August 2023	220.45	198.00	513163	229.95	195.95	69983
September 2023	243.75	215.30	676514	244.00	215.10	80958
October 2023	232.60	197.00	217098	237.00	197.00	31784
November 2023	234.20	207.50	264925	232.75	208.00	33720
December 2023	278.20	221.25	1394194	277.95	221.20	140932
January 2024	268.00	226.00	826969	270.00	225.30	66109
February 2024	262.00	215.00	463658	266.00	215.70	62370
March 2024	231.45	185.50	228264	237.75	185.30	33716



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

i) Address of Registrars and Share Transfer Agents:

XL SOFTECH Systems Limited,  
3, Sagar Society, Road No. 2, Banjara Hills,  
HYDERABAD – 500 034.  
Tel: 040-23545913, 14, 15  
Email: xlfield@gmail.com

j) Share Transfer System:

The Share Transfer work is being handled by the Company's R & T Agent and they have confirmed that no non-compliance of the procedural requirements has taken place during the year under review.

**k) Distribution of Shareholding and Shareholding Pattern:  
Distribution of Shareholding as on 31.03.2024.**

Share Holding (of nominal value in ₹)	Number of Shareholders	% to total	Number of Shares	% to total
Up to 5000	21197	95.97	1147030	14.75
5001 - 10000	457	2.07	366885	4.72
10001 - 20000	220	1.00	331440	4.26
20001 - 30000	77	0.35	196101	2.52
30001 - 40000	29	0.13	101476	1.31
40001 - 50000	24	0.11	111654	1.44
50001 - 100000	47	0.21	343615	4.42
100001 and above	38	0.17	5175657	66.58
<b>Total</b>	<b>22089</b>	<b>100.00</b>	<b>7773858</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2024:**

Category	No. of Equity Shares	% of Paid-up Capital
Promoters & Promoters Group	4217225	54.25
Bodies Corporate	490239	6.31
Non Resident Individuals	26391	0.34
Financial Institutions / Banks	72	0.00
Mutual Funds	200	0.00
Foreign Portfolio Investors	401	0.01
IEPF	220100	2.83
Trusts	248	0.00
HUFs	141045	1.81
General Public	2677937	34.45
<b>TOTAL</b>	<b>7773858</b>	<b>100.00</b>



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

i) There are no outstanding GDRs / ADRs / Warrants or any Convertible instruments as on 31<sup>st</sup> March, 2024.

m) Dematerialisation of Shares:

As on 31<sup>st</sup> March, 2024, 76,28,211 (98.13%) shares were dematerialised with the following depositories:

Sl.No.	Name of Depository		No. of Shares
i	National Securities Depositories Limited	-	21,62,370
ii)	Central Depository Services (India) Limited	-	54,65,841

n) Plant Locations

**CEMENT:**

Dondapadu Village  
Chintalapalem Mandal  
Suryapet District  
Telangana State

**SUGAR & POWER:**

Peruvancha Village  
Kallur Mandal  
Khammam District  
Telangana State

o) Address for correspondence:

Shareholders can correspond at the Registered Office of the Company at Hyderabad, addressed to the Company Secretary or to the Registrars & Share Transfer Agents, whose address has been mentioned elsewhere in this Report.

Place : Hyderabad

Date : 23.05.2024

P Veeraiah

**Chairman and Managing Director**

DIN : 00276769

### Declaration on Code of Conduct

This is to affirm that all Directors and Senior Management personnel of the Company have complied with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2024 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Hyderabad

Date : 23.05.2024

P Veeraiah

**Chairman and Managing Director**

DIN : 00276769



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**INDEPENDENT AUDITOR'S CERTIFICATE**

To  
**The Members of Kakatiya Cement Sugar & Industries Limited**

**CERTIFICATE ON CORPORATE GOVERNANCE**

This certificate is issued in accordance with the terms of our engagement letter dated 08.02.2024

We, M. Anandam & Co., Chartered Accountants, the Statutory Auditors of Kakatiya Cement Sugar & Industries Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

**Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations during the year ended March 31, 2024.

We 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 M. Anandam & Co.,  
**Chartered Accountants**  
(FRN: 000125S)

**A.V. Sadasiva**  
**Partner**

Membership No.018404  
UDIN: 24018404BKEAYF1714

Place : Hyderabad  
Date : 23.05.2024



## **Independent Auditor's Report**

**To**

**To the Members of Kakatiya Cement Sugar & Industries Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Kakatiya Cement Sugar & Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, 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 material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with 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, 2024, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

We have determined the matters described below to be the key audit matters in our audit of the Company for the year ended 31<sup>st</sup> March, 2024.



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

<b>Sr. No.</b>	<b>Key Audit Matter</b>	<b>Auditor's Response</b>
1.	<p><b><u>Evaluation of uncertain tax positions</u></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 32 to the Financial Statements</p>	<p><b>Principal Audit Procedures</b></p> <p>The audit procedures included but were not limited to:</p> <ul style="list-style-type: none"><li>- Obtaining a detailed understanding processes and controls of the Management with respect to claims or disputes</li><li>- Performing following procedures on samples selected:</li><li>- Understanding the matters by reading the correspondences, communications, minutes of the management meeting</li><li>- Making corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the unit, and perusing legal opinions, if any, obtained by the Management.</li><li>- Discussing the status of the cases with the legal team regarding the progress and probability assessment of the outcomes.</li><li>- Evaluating the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates.</li><li>- Evaluating appropriateness of adequate disclosures in accordance with the applicable Indian accounting standards.</li></ul>
	<p><b><u>Net Realizable Value of Finished Goods</u></b></p> <p>Finished goods are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always volatility in the selling price of sugar which is dependent upon various market conditions, determination of the net realizable value involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>Total value of finished goods of sugar as at 31<sup>st</sup> March, 2024 is ₹ 3,249.90 Lakhs.</p>	<p><b>Principal Audit Procedures</b></p> <p>The audit procedures included but were not limited to:</p> <ul style="list-style-type: none"><li>- Obtained an understanding of the determination of the net realizable value of the sugar and assessed and tested the reasonableness of the significant judgements applied by the management.</li><li>- Evaluated the design of internal controls relating to the valuation of sugar and also tested the operating effectiveness of the aforesaid controls.</li><li>- Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management.</li><li>- Compared the actual costs incurred to sell after the year end / based on the latest sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management.</li><li>- Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value.</li><li>- Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.</li></ul>



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### **Other Information**

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the year ended 31<sup>st</sup> March, 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 Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (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 dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected there with are as stated in paragraph 1(b) above and paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) 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.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

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 financial statements (Refer Note 32);
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There is no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that (Note 45 of the Financial Statements), 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 (Note 45 of the Financial Statements), 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. (a) As stated in Note 38 to the financial statements, 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.
- vi. Based on our examination, the Company has used accounting software Oracle 9i which does not have the feature of audit trail (edit log) facility at both application level and database level. Hence, we are unable to comment on the audit trail feature and whether the audit trail had operated throughout the year or was tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government 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 M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**A. V. Sadasiva**  
Partner

Membership No. 018404  
UDIN: 24018404BKEAYE2940

Place : Hyderabad  
Date : 23.05.2024



**Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1(g) 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 under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of **Kakatiya Cement Sugar & Industries Limited** (“the Company”) as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 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.

**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.

**Inherent Limitations of Internal Financial Controls with reference to the financial statements**

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

**Auditor’s Responsibility**

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

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



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS financial statements.

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**A. V. Sadasiva**  
Partner

Membership No. 018404  
UDIN: 24018404BKEAYE2940

Place : Hyderabad  
Date : 23.05.2024



**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.  
  
(B) The Company does not have intangible assets and hence reporting under the clause 3(i)(a) (B) of the Order is not applicable.
- (b) The property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical 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 during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and 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.

- (b) The Company has availed working capital facility from banks against fixed deposits of the Company and submission of quarterly returns or statements are not applicable. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. During the year the Company has not made investments, 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 and hence reporting under clause 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has made investments which are in compliance with Section 186 of the Act. The Company has not granted loans, not provided guarantees and securities.

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 sub-section (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, duty of Customs, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, duty of Custom, and other statutory, Cess and other material statutory dues in as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, value added tax, customs duty as at 31<sup>st</sup> March, 2024 which have not been deposited on account of any dispute pending, are as under:



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Amount paid (₹ in Lakhs)	Forum where dispute is pending
Income-Tax Act, 1961	Income Tax	136.40	Assessment Years 1999-2000 2000-2001 2001-2002	123.98	High Court of Telangana
Income-Tax Act, 1961	Income Tax	427.94	Assessment year 2014.15	--	High Court of Telangana
Income-Tax Act, 1961	Income Tax	2581.75	Assessment year 2009-10	--	ITAT Hyderabad
Income –Tax Act 1961	Income Tax	152.50	Assessment Year 2011-12	--	ITAT Hyderabad
Income –Tax Act 1961	Income Tax	120.68	Assessment Year 2012-13	--	ITAT Hyderabad
Income-Tax Act, 1961	Income Tax	969.26	Assessment Year 2016-17	--	ITAT Hyderabad
Customs Act, 1962	Customs Duty	65.77	Financial year 2012-2013	--	Additional Commissioner Customs
Telangana and AP states Electricity Board	Electricity Duty	321.75	2003-04 to 2012-13	--	Hon'ble Supreme Court of India
Sales tax Act. 1956	Central Sales tax	435.61	Financial year 2015-16		High Court of Telangana

- 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 or other borrowings and in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans 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) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order 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) 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 convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) In our opinion and based on our examination and enquiries with the management, 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 is required to be 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 up to 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.



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- 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 Section 177 and 188 of the Companies Act, 2013 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) 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.  
b) We have considered, the internal audit reports of the company issued till date, for the year under audit
- xv. During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 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) of the Order is not applicable.  
b). The Company is not engaged in any non-banking financial housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.  
c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.  
d) 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 incurred cash losses of ₹ 336.72 Lakhs in 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. In our opinion, the provisions of section 135 of the Act are not applicable to the Company and hence reporting under clause 3(xx) of the Order is not applicable.

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**A. V. Sadasiva**  
Partner

Place : Hyderabad  
Date : 23.05.2024

Membership No. 018404  
UDIN: 24018404BKEAYE2940



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2024**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I. ASSETS</b>			
<b>(1) Non-current assets:</b>			
(a) Property, plant and equipment	2	4,742.39	4,613.27
(b) Financial assets			
i) Investments	3	2.80	0.95
ii) Other financial assets	4	7,973.19	6,640.50
(c) Other non-current assets	5	250.72	250.36
<b>(2) Current Assets:</b>			
(a) Inventories	6	6,253.32	6,474.91
(b) Financial assets			
i) Trade receivables	7	1,812.49	1,796.60
ii) Cash and cash equivalents	8	54.58	137.84
iii) Bank balances other than (ii) above	9	11,548.75	11,645.95
iv) Other financial assets	10	515.81	475.41
(c) Current tax assets (net)	11	1,422.70	1,620.37
(d) Other current assets	12	488.17	836.92
<b>TOTAL ASSETS</b>		<b>35,064.93</b>	<b>34,493.08</b>
<b>II. EQUITY &amp; LIABILITIES:</b>			
<b>Equity</b>			
(a) Equity share capital	13	777.39	777.39
(b) Other equity	14	21,747.21	22,100.53
<b>Liabilities</b>			
<b>(1) Non-current liabilities:</b>			
(a) Provisions	15	6.72	12.19
(b) Deferred tax liabilities (Net)	16	799.23	812.64
<b>(2) Current Liabilities:</b>			
(a) Financial liabilities			
i. Borrowings	17	9,412.85	8,347.71
ii. Trade payables	18		
(a) Total outstanding dues to micro enterprises and small enterprises		5.96	-
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises "		1,143.10	1,065.01
iii. Other financial liabilities	19	403.69	390.65
(b) Other current liabilities	20	762.78	983.19
(c) Provisions	21	6.00	3.78
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,064.93</b>	<b>34,493.08</b>
<b>Material accounting policies</b>	<b>1</b>		

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

As per our report of even date  
**For M. ANANDAM & CO.**  
Chartered Accountants  
(Firm Registration Number: 000125S)

**A.V. Sadasiva**  
Partner  
Membership Number:018404  
Place : Hyderabad  
Date : 23.05.2024

On behalf of the Board of Directors

**P.Veeraiah**  
Chairman & Managing Director  
DIN: 00276769

**M. Bhavani Dattu**  
Chief Financial Officer  
(PAN:AECPM1280L)

**V. Sessa Sayee**  
Company Secretary  
(M. No.: A9827)





**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

All amount ₹ in lakhs, unless otherwise stated

	Particulars	Note	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>I</b>	<b>Income</b>			
	Revenue from operations	22	15,595.25	15,415.05
	Other income	23	1,260.77	2,154.14
	<b>Total income</b>		<b>16,856.02</b>	<b>17,569.19</b>
<b>II</b>	<b>Expenses</b>			
	Cost of materials consumed	24	5,040.40	5,685.91
	Changes in inventories of work-in-progress and finished goods	25	83.56	(1,134.85)
	Employee benefits expense	26	1,984.31	1,937.03
	Finance costs	27	513.26	570.36
	Power and fuel		6,753.97	7,948.29
	Depreciation	28	238.88	225.98
	Other expenses	29	2,394.33	2,899.16
	<b>Total expenses</b>		<b>17,008.71</b>	<b>18,131.88</b>
<b>III</b>	<b>Profit/(Loss) before tax (I - II)</b>		<b>(152.68)</b>	<b>(562.70)</b>
<b>IV</b>	<b>Tax expenses:</b>			
	1) Current tax		-	-
	2) Earlier year's tax		-	-
	3) Deferred tax		(18.23)	(116.23)
<b>V</b>	<b>Profit / (Loss) for the year (III-IV)</b>		<b>(134.45)</b>	<b>(446.47)</b>
<b>VI</b>	<b>Other Comprehensive Income (OCI)</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	(a) Remeasurement of defined benefit plans		19.14	(12.93)
	(b) Income tax relating to the item (a) above		(4.82)	-
	Other comprehensive income for the year (net of tax)		14.33	(12.93)
<b>VII</b>	<b>Total Comprehensive Income for the year (V + VI)</b>		<b>(120.12)</b>	<b>(459.40)</b>
<b>VIII</b>	<b>Earning per equity share (Face Value of Rs.10/- each)</b>			
	(i) Basic (in ₹)	30	(1.73)	(5.74)
	(ii) Diluted (in ₹)		(1.73)	(5.74)
	<b>Material accounting policies</b>	<b>1</b>		

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

As per our report of even date  
**For M. ANANDAM & CO.**  
Chartered Accountants  
(Firm Registration Number: 000125S)

**A.V. Sadasiva**  
Partner  
Membership Number:018404

Place : Hyderabad  
Date : 23.05.2024

On behalf of the Board of Directors

**P.Veeraiah**  
Chairman & Managing Director  
DIN: 00276769

**M.Bhavani Dattu**  
Chief Financial Officer  
(PAN:AECPM1280L)

**V. Sessa Sayee**  
Company Secretary  
(M. No.: A9827)



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	(152.68)	(562.70)
<b>Adjustments for:</b>		
Depreciation	238.88	225.98
Net (gain)/loss on disposal of property, plant and equipment	14.00	-
Interest income on deposits and others	(1,169.71)	(1,159.59)
Dividend income	(0.05)	(0.03)
Provision for bad and doubtful debts	0.27	273.13
Provisions no longer required written back	-	(994.55)
Finance costs	513.26	570.36
Net (gain)/loss on fair value changes of investment through profit and loss Provision for inventory	(1.86)	0.01
<b>Operating profit/(loss) before working capital changes</b>	<b>(585.89)</b>	<b>(1,647.40)</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in inventories	221.59	(1,532.02)
(Increase)/ decrease in trade receivables	(16.15)	(632.57)
(Increase)/ decrease in other current financial assets	(40.40)	(751.06)
(Increase)/ decrease in current tax assets	247.67	(88.70)
(Increase)/ decrease in other current assets	348.75	(500.57)
Increase/ (decrease) in trade payables	84.06	555.51
(Increase)/ decrease in other non current financial assets	(1,332.69)	820.29
Increase / (decrease) in other financial liabilities	13.04	(17.49)
Increase/ (decrease) in provisions	15.89	(25.89)
(Increase)/ decrease in other non-current assets	(0.36)	493.80
Increase/ (decrease) in other current liabilities	(220.45)	(268.11)
<b>Cash generated from operations</b>	<b>(1,264.94)</b>	<b>(3,594.22)</b>
Income taxes paid	(50.00)	(200.00)
<b>Net cash flow from/(used in) operating activities</b>	<b>(1,314.94)</b>	<b>(3,794.22)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(368.46)	(129.11)
(Increase)/ decrease in fixed deposits	97.19	(1,210.55)
Proceeds from sale of property, plant and equipment	14.52	-
Interest received	1,169.71	1,159.59
Dividend income	0.05	0.03
<b>Net cash inflow (used in) from investing activities</b>	<b>913.01</b>	<b>(180.04)</b>
<b>Cash flow from financing activities</b>		
Increase/ (decrease) in current borrowings (net)	1,065.14	4,830.36
Interest paid	(513.26)	(570.36)
Dividend paid	(233.21)	(233.21)
<b>Net cash inflow (used in) from financing activities</b>	<b>318.67</b>	<b>4,026.78</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(83.26)</b>	<b>52.53</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>137.84</b>	<b>85.31</b>
<b>Cash and Cash equivalents at the end of the year (Note No.8)</b>	<b>54.58</b>	<b>137.84</b>



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

The above statement of cash flows has been prepared under the 'Indirect method' as set out in Indian Accounting Standard - 7 Statement of Cash Flows specified under section 133 of the Companies Act, 2013.

**Net debt reconciliation**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance of borrowings	8,347.71	3,517.35
Add/(less):- Proceeds from/ repayment of borrowings (net)	1,065.14	4,830.36
<b>Closing balance of borrowings</b>	<b>9,412.85</b>	<b>8,347.71</b>

**Material accounting policies (Refer Note-1)**

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

As per our report of even date  
**For M. ANANDAM & CO.**  
Chartered Accountants  
(Firm Registration Number: 000125S)

**A.V. Sadasiva**  
Partner  
Membership Number:018404

Place : Hyderabad  
Date : 23.05.2024

On behalf of the Board of Directors

**P.Veeraiah**  
Chairman & Managing Director  
DIN: 00276769

**M.Bhavani Dattu**  
Chief Financial Officer  
(PAN:AECPM1280L)

**V. Sesha Sayee**  
Company Secretary and  
Compliance Officer  
(PAN:AAMPV8031G)



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024**

**A. Equity Share capital**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balance at the beginning of the year	777.39	777.39
Add: Changes in equity share capital due to prior period errors	-	-
Add: Changes in equity share capital during the year	-	-
<b>Balance at the end of the year</b>	<b>777.39</b>	<b>777.39</b>

**B. Other Equity**

As at 31<sup>st</sup> March, 2024

Particulars	Reserves and Surplus			Other Comprehensive Income (Amalgamation Reserve)	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 01 <sup>st</sup> April, 2023	1,391.62	2,379.92	17,253.10	1,075.89	22,100.53
Add/(less): Profit/(Loss) for the year	-	-	(134.45)	-	(134.45)
Less : Dividend paid	-	-	(233.21)	-	(233.21)
Add : Other Comprehensive Income/(loss) on remeasurement of employee benefit obligation (net of tax)	-	-	14.33	-	14.33
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1,391.62</b>	<b>2,379.92</b>	<b>16,899.77</b>	<b>1,075.89</b>	<b>21,747.21</b>

As at 31<sup>st</sup> March, 2023

Particulars	Reserves and Surplus			Other Comprehensive Income (Amalgamation Reserve)	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 01 <sup>st</sup> April, 2022	1,391.62	2,379.92	17,945.72	1,075.89	22,793.15
Add/(less) : Profit/(Loss) for the year	-	-	(446.47)	-	(446.47)
Less : Dividend paid	-	-	(233.21)	-	(233.21)
Add : Other Comprehensive Income/(loss) on remeasurement of employee benefit obligation (net of tax)	-	-	(12.93)	-	(12.93)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,391.62</b>	<b>2,379.92</b>	<b>17,253.10</b>	<b>1,075.89</b>	<b>22,100.53</b>

**Material accounting policies - Refer Note 1**

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

As per our report of even date  
**For M. ANANDAM & CO.**  
Chartered Accountants  
(Firm Registration Number: 000125S)

**A.V. Sadasiva**  
Partner  
Membership Number:018404

Place : Hyderabad  
Date : 23.05.2024

On behalf of the Board of Directors

**P. Veeraiah**  
Chairman & Managing Director  
DIN: 00276769

**M.Bhavani Dattu**  
Chief Financial Officer  
(PAN:AECPM1280L)

**V. Sessa Sayee**  
Company Secretary  
(M. No.: A9827)



# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### A. Company Information

Kakatiya Cement, Sugar & Industries Limited (the "Company") was incorporated in 1979 having its Registered office in Hyderabad. The Company's activities are organized into three operating divisions namely Cement, Sugar and Power. The major activity of the company is to produce, manufacture, refine, sell and generally to deal in all kinds of Portland Cement, sugar, generation and distribution of power.

### B. Statement of compliance and basis of preparation of financial statements.

#### 1. Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 1.1 Statement of compliance

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act."

##### 1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

##### 1.3 Significant Judgments, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

#### Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

##### a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

##### b) Estimates and Assumptions

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



changes are reflected in the assumptions when they occur.

**c) Impairment of Non-financial Assets**

- The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
- In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

**d) Estimation of Defined Benefit Obligations**

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

**e) Financial Instruments**

- Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.
- Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Fair Value Measurement of Financial Instruments**

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

**f) Estimation of Current Tax and Deferred Tax**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported on the financial statements.

**g) Impairment of Financial Assets**

- The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates (ECL). The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- The company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial



recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowances at the reporting date to the amount that is required is recognised as an impairment gain or loss in statement of profit or loss.

#### **1.4 Revenue Recognition:**

##### **i) Sale of products**

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods and/or services has transferred from the Company to the buyer. Revenue is measured based on consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties.

Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the buyer has gained control through their ability to direct the use of and obtain substantially all the benefits from the goods.

##### **ii) Interest, Dividends and Other Income**

Interest and 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.

#### **1.5 Borrowing Costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred and reported in finance costs.

#### **1.6 Employee Benefits**

Employee benefits include provident fund, gratuity, compensated absences and bonus plans

##### **Defined Contribution Plans**

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

##### **Defined Benefit Plans**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

##### **Short-term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.



### **Long-term Employee Benefits**

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

### **Bonus Plans**

The company recognizes a liability and expenses for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **1.7 Taxes on Income**

Income tax comprises Current and Deferred Tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to business combination or to an item recognised directly in equity or in other comprehensive income.

#### **I) Current Tax**

- Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
- Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### **II) Deferred Tax**

- Deferred tax liabilities are provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognized in full.
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.
- The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.
- Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **1.8 Property, Plant and Equipment**

#### **Tangible Assets**

##### **i) Recognition and Measurement**

- Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any, except freehold land which is carried at historical cost.
- Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

- The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.
- Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

### **ii) Subsequent Expenditure**

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

### **iii) Derecognition**

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

### **iv) Depreciation/ Amortization**

- Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery and electric plant and installation and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets.
- Depreciation on additions / disposals is provided on a pro rata basis that is from /upto the date on which asset is ready for use /disposed of.

### **vi) Impairment of Assets**

#### **Intangible assets and Property, Plant and Equipment (PPE)**

- Intangible assets and PPE 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 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.
- If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit or loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **Capital work-in-progress**

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress to Tangible Fixed Assets.

### **Intangible Assets**

#### **i) Initial Recognition and Classification**

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.



## **ii) Subsequent Expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in statement of profit and loss as incurred.

## **iii) Amortization**

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives and is included in depreciation and amortisation in Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

## **iv) Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

## **Impairment of Non-Financial Assets.**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## **1.9 Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, wherever considered necessary. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs including manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Excess/ shortages, if any, arising on physical verification are absorbed in the respective consumption accounts.

## **Material in Transit**

Valuation of inventories of Material in Transit is done at cost

## **Work-in-Progress (WIP) and Finished Goods**

These inventories are valued at lower of cost and NRV. Cost of Finished Goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

## **1.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the



passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

**Contingent liability is disclosed in the case of :**

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from past events, when no reliable estimate is possible.

**Contingent assets are neither recognised nor disclosed in the Financial Statements.**

**1.11 Equity, Reserves and Dividend Payments**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

Dividend distributions payable to equity shareholders is included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

**1.12 Earnings Per Share**

Basic earnings per equity share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

**1.13 Cash and Cash Equivalents**

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**1.14 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease transaction. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a lessee:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in Finance Costs in the Statement of Profit and Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**Company as a lessor:**

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

**1.15 Standards issued but not yet effective. There is no such notification applicable from 1<sup>st</sup> April, 2024.**



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**Notes to the financial statements for the year ended 31<sup>st</sup> March, 2024**

**2 (a) Property, Plant and Equipment**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01.04.2023	Additions	Deletions	31.03.2024	As at 01.04.2023	For the Year	On Disposals	As at 31.03.2024	As at 31.03.2024
<b>Cement Division</b>									
Freehold Land (Refer note below)	101.23	-	0.08	101.15	-	-	-	-	101.15
Buildings	339.15	-	-	339.15	67.93	9.20	-	77.14	262.02
Plant & Equipment	1,567.28	302.75	-	1,870.02	423.27	66.42	-	489.69	1,380.34
Other Equipment	17.40	-	-	17.40	6.24	0.91	-	7.15	10.24
Furniture and Fixtures	4.48	-	-	4.48	1.04	0.33	-	1.37	3.11
Office Equipment	30.35	2.91	-	33.26	18.61	3.88	-	22.49	10.76
Vehicles	24.58	30.02	7.46	47.14	22.71	1.29	7.09	16.91	30.23
<b>Total</b>	<b>2,084.46</b>	<b>335.68</b>	<b>7.54</b>	<b>2,412.60</b>	<b>539.81</b>	<b>82.03</b>	<b>7.09</b>	<b>614.75</b>	<b>1,797.85</b>
<b>Sugar Division</b>									
Freehold Land	156.82	-	-	156.82	-	-	-	-	156.82
Buildings	1,066.65	-	-	1,066.65	357.27	35.96	-	393.23	673.41
Plant & Equipment	904.95	1.83	-	906.79	246.45	34.85	-	281.30	625.49
Other Equipment	37.63	10.60	-	48.23	8.33	7.29	-	15.62	32.61
Furniture and Fixtures	0.93	0.22	-	1.15	0.20	0.06	-	0.26	0.89
Office Equipment	7.85	1.60	-	9.45	3.66	0.63	-	4.29	5.16
Vehicles	19.41	15.91	-	35.32	5.52	2.09	-	7.61	27.70
<b>Total</b>	<b>2,194.23</b>	<b>30.17</b>	<b>0.00</b>	<b>2,224.39</b>	<b>621.43</b>	<b>80.88</b>	<b>0.00</b>	<b>702.31</b>	<b>1,522.08</b>
<b>Power Division</b>									
Factory Buildings	247.50	-	-	247.50	95.04	13.58	-	108.62	138.88
Plant & Equipment	1,717.88	2.62	-	1,720.49	374.52	62.39	-	436.91	1,283.59
<b>Total</b>	<b>1,965.37</b>	<b>2.62</b>	<b>0.00</b>	<b>1,967.99</b>	<b>469.56</b>	<b>75.97</b>	<b>0.00</b>	<b>545.52</b>	<b>1,422.47</b>
<b>Grand Total</b>	<b>6,244.06</b>	<b>368.46</b>	<b>7.54</b>	<b>6,604.98</b>	<b>1,630.79</b>	<b>238.88</b>	<b>7.09</b>	<b>1,862.59</b>	<b>4,742.39</b>

**Note:** In compliance with the directions of "The Hon'ble XVI Additional District and Sessions Judge, Nandigama, NTR District, Andhra Pradesh" Company has surrendered land to the extent of 1.03 Acres to "The Land Acquisition Officer Cum Sub-Collector/ Revenue Divisional Officer, Vijayawada" for a consideration of 14 Lakhs against the book value of 0.08 lakhs during the financial year 2023-24.



**KAKATIYA CEMENT SUGAR &  
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**Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023**

**2 (b) Property, plant and equipment**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 01.04.2022	Additions	Deletions	31.03.2023	As at 01.04.2022	For the Year	On Disposals	As at 31.03.2023	As at 31.03.2023
<b>Cement Division</b>									
Freehold Land	101.23	-	-	101.23	-	-	-	-	101.23
Buildings	339.15	-	-	339.15	58.73	9.20	-	67.93	271.22
Plant & Equipment	1,559.69	7.59	-	1,567.28	359.46	63.81	-	423.27	1,144.01
Other Equipment	5.87	11.53	-	17.40	5.87	0.37	-	6.24	11.16
Furniture and Fixtures	4.48	-	-	4.48	0.71	0.33	-	1.04	3.44
Office Equipment	28.51	1.84	-	30.35	15.18	3.43	-	18.61	11.74
Vehicles	24.58	-	-	24.58	21.62	1.10	-	22.71	1.87
<b>Total</b>	<b>2,063.52</b>	<b>20.95</b>	<b>-</b>	<b>2,084.46</b>	<b>461.57</b>	<b>78.23</b>	<b>-</b>	<b>539.81</b>	<b>1,544.66</b>
<b>Sugar Division</b>									
Freehold Land	156.82	-	-	156.82	-	-	-	-	156.82
Buildings	1,066.65	-	-	1,066.65	321.31	35.96	-	357.27	709.38
Plant & Equipment	871.17	33.79	-	904.95	206.53	39.92	-	246.45	658.50
Other Equipment	37.63	-	-	37.63	8.32	0.01	-	8.33	29.30
Furniture and Fixtures	0.93	-	-	0.93	0.17	0.03	-	0.20	0.73
Office Equipment	7.20	0.65	-	7.85	3.08	0.58	-	3.66	4.19
Vehicles	19.41	-	-	19.41	3.33	2.19	-	5.52	13.89
<b>Total</b>	<b>2,159.82</b>	<b>34.44</b>	<b>-</b>	<b>2,194.23</b>	<b>542.74</b>	<b>78.69</b>	<b>-</b>	<b>621.43</b>	<b>1,572.80</b>
<b>Power Division</b>									
Factory Buildings	247.50	-	-	247.50	81.46	13.58	-	95.04	152.46
Plant & Equipment	1,644.17	73.71	-	1,717.88	319.04	55.48	-	374.52	1,343.36
<b>Total</b>	<b>1,891.67</b>	<b>73.71</b>	<b>-</b>	<b>1,965.37</b>	<b>400.50</b>	<b>69.06</b>	<b>-</b>	<b>469.56</b>	<b>1,495.82</b>
<b>Grand Total</b>	<b>6,115.00</b>	<b>129.11</b>	<b>-</b>	<b>6,244.06</b>	<b>1,404.81</b>	<b>225.98</b>	<b>-</b>	<b>1,630.79</b>	<b>4,613.27</b>



**KAKATIYA CEMENT SUGAR &  
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**Notes to the financial statements for the year ended 31<sup>st</sup> March, 2024**

All amount ₹ in lakhs, unless otherwise stated

**3 Investments**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Designated investment at fair value through profit and loss (FVTPL) Investment in equity investment - Union Bank of India 1830 shares (1830 in Previous Year) (face value of INR 10 each)	2.80	0.95
<b>Total</b>	<b>2.80</b>	<b>0.95</b>
Aggregate amount of quoted investments	2.80	0.95

**4 Other financial assets (non-current)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Unsecured, considered good</b>		
- Earmarked deposits with banks	6,627.66	4,633.77
- Other Deposits with banks	370.54	827.66
- Interest accrued on bank deposits	528.76	777.99
- Deposits with government companies	442.27	397.11
- Deposits with others	3.97	3.97
<b>Total</b>	<b>7,973.19</b>	<b>6,640.50</b>

**5 Other Non Current assets**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advances other than capital advances		
- Taxes paid under protest	250.72	250.36
<b>Total</b>	<b>250.72</b>	<b>250.36</b>

**6 Inventories (Valued at lower of cost or net realizable value)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Raw materials (includes coal in transit of ₹ 84.90 lakhs (PY - Nil))	525.42	807.30
Work-in-progress	1,553.33	681.20
Finished goods	3,310.91	4,266.60
Stores and spares	913.82	769.97
Less: Provision for obsolete stores and spares	(50.16)	(50.16)
Net stores and spares	863.67	719.80
<b>Total</b>	<b>6,253.32</b>	<b>6,474.91</b>

**7 Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unsecured, considered good	1,812.49	1796.60
Credit impaired	1,276.92	1277.27
Less: Allowance for expected credit loss	(1,276.92)	(1,277.27)
<b>Total</b>	<b>1,812.49</b>	<b>1,796.60</b>



**KAKATIYA CEMENT SUGAR &  
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**7.1 Trade receivables ageing schedule As on March 31, 2024**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	18.14	-	606.42	251.62	936.30	1,812.49
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	0.28	0.25	1,276.39	1,276.92
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: Expected credit loss	-	-	(0.28)	(0.25)	(1,276.39)	(1,276.92)
<b>Total</b>	<b>18.14</b>	<b>-</b>	<b>606.42</b>	<b>251.62</b>	<b>936.30</b>	<b>1,812.49</b>

**As on 31<sup>st</sup> March, 2023**

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	2.62	606.86	251.90	0.24	934.99	1,796.60
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	1,277.27	1,277.27
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Expected credit loss	-	-	-	-	(1,277.27)	(1,277.27)
<b>Total</b>	<b>2.62</b>	<b>606.86</b>	<b>251.90</b>	<b>0.24</b>	<b>934.99</b>	<b>1,796.60</b>

\*Unbilled dues shall be disclosed separately

\*\*where no due date of payment is specified, disclosure shall be from date of the transaction

Expected Credit Loss Rate	As on 31.03.2024	As on 31.03.2023
Expected Credit Loss:		
Dues from government companies	42%	42%
Dues from others	100%	100%



**KAKATIYA CEMENT SUGAR &  
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**8 Cash and cash equivalents**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Balances with banks		
- in current accounts	52.98	134.32
b) Cash on hand	1.60	3.52
<b>Total</b>	<b>54.58</b>	<b>137.84</b>

**9 Other Bank Balances**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Earmarked balances with banks		
Margin money deposits	7,778.41	6,900.80
Unpaid dividend accounts	53.56	57.81
b) Balances with banks		
Term Deposits	3,716.79	4,687.34
<b>Total</b>	<b>11,548.75</b>	<b>11,645.95</b>

9.1: The Company has transferred unclaimed dividend of ₹ 9.11 lakhs pertaining to year 2015-16 to the Investor Education & Protection Fund on expiry of seven years (Previous Year ₹ 8.42 lakhs pertaining to year 2014-15).

**10 Other Financial Assets (Current)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Staff loans	0.16	2.20
Other advances	25.00	-
Interest accrued on bank deposits	490.65	473.20
<b>Total</b>	<b>515.81</b>	<b>475.41</b>

**11 Current Tax Assets (Net)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	1,620.37	1,331.67
Add: Taxes paid (including TDS and TCS receivable)	144.06	288.70
Less: Refund received during the year	(341.73)	-
<b>Total</b>	<b>1,422.70</b>	<b>1,620.37</b>

**12 Other Current Assets**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Prepaid expenses	40.84	46.38
Advances to suppliers	204.06	544.09
Prepaid royalty expenses	80.42	81.14
GST input credit receivable	162.85	165.30
<b>Total</b>	<b>488.17</b>	<b>836.92</b>





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

All amount ₹ in lakhs, unless otherwise stated

### 13. Equity Share Capital

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>AUTHORIZED:</b>		
90,00,000 ( 2023 - 90,00,000) Equity Shares of ₹ 10/- each	900.00	900.00
<b>TOTAL</b>	<b>900.00</b>	<b>900.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</b>		
77,73,858 (2023- 77,73,858) Equity Shares of ₹ 10/- each fully paid-up	777.39	777.39
<b>TOTAL</b>	<b>777.39</b>	<b>777.39</b>

### 13.1 Movement in Equity Share Capital

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
Shares outstanding at the beginning of the year	77,73,858	777.39	77,73,858	777.39
Add: Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>77,73,858</b>	<b>777.39</b>	<b>77,73,858</b>	<b>777.39</b>

### 13.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of shares	% age	Number of shares	% age
<b>P Veeraiiah</b>	<b>37,04,527</b>	<b>47.66</b>	<b>36,10,777</b>	<b>46.45</b>

### 13.3 Terms/Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the distribution will be in proportion to the number of equity shares held by the shareholders.



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**13.4 Promoter's Shareholding**

**Year ended 31<sup>st</sup> March, 2024**

Shares held by promoters at the end of the year				% Change
S.No.	Promoter Name	No. of Shares	% of Total Shares	During the Year
1	P. Veeraiah	37,04,527	47.65	1.20
2	Samrajyam Pallemptati	3,23,277	4.16	-
3	Triveni Jasti	69,500	0.89	-
4	Shanti Jhetty	57,880	0.74	-
5	Shalini Jetty	1	-	(0.49)
6	Ragini Jetty	-	-	(0.47)
7	Jasti Lakshmi Nalini	28,520	0.37	-
8	J Siva Rama Prasad	-	-	(0.25)
9	Jutla Chandra Shekar Goud	-	-	-
10	Sukumari Koneru	12,000	0.15	-
11	Seshagiri Rao Jasti	10,000	0.13	-
12	Saarika Koneru	5,720	0.07	-
13	J Venkata Krishna	3,000	0.04	-
14	Musunuri Ramakrishna Prasad	2,000	0.03	-
15	Raajitha Koneru	700	0.01	-
16	Jasti Chelameswar (HUF)	100	0.01	-
<b>Total</b>		<b>42,17,225</b>	<b>54.25</b>	

**Year ended 31<sup>st</sup> March, 2023**

Shares held by promoters at the end of the year				% Change
S.No.	Promoter Name	No. of Shares	% of Total Shares	During the Year
1	P. Veeraiah	36,10,777	46.45	0.40
2	Samrajyam Pallemptati	3,23,277	4.16	-
3	Triveni Jasti	69,500	0.89	-
4	Shanti Jhetty	57,880	0.74	-
5	Shalini Jetty	38,000	0.49	-
6	Ragini Jetty	36,400	0.47	-
7	Jasti Lakshmi Nalini	28,520	0.37	-
8	J Siva Rama Prasad	19,350	0.25	-
9	Jutla Chandra Shekar Goud	-	-	-
10	Sukumari Koneru	12,000	0.15	-
11	Seshagiri Rao Jasti	10,000	0.13	-
12	Saarika Koneru	5,720	0.07	-
13	J Venkata Krishna	3,000	0.04	-
14	Musunuri Ramakrishna Prasad	2,000	0.03	-
15	Raajitha Koneru	700	0.01	-
16	Jasti Chelameswar (HUF)	100	0.01	-
<b>Total</b>		<b>42,17,224</b>	<b>54.25</b>	



**KAKATIYA CEMENT SUGAR &  
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**14. Other equity**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Reserves and surplus		
Securities premium	1,391.62	1,391.62
General reserve	2,379.92	2,379.92
Retained earnings	16,899.77	17,253.10
Amalgamation reserve	1,075.89	1,075.89
<b>TOTAL</b>	<b>21,747.21</b>	<b>22,100.53</b>

**(a) Other Comprehensive Income -Securities premium**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	1,391.62	1,391.62
Add/(less) : movement during the current year	-	-
<b>Closing balance</b>	<b>1,391.62</b>	<b>1,391.62</b>

**(b) General Reserve**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	2,379.92	2,379.92
Add/(less) : movement during the current year	-	-
<b>Closing balance</b>	<b>2,379.92</b>	<b>2,379.92</b>

**(c) Other Comprehensive Income -Amalgamation reserve**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	1,075.89	1,075.89
Add/(less) : movement during the current year	-	-
<b>Closing balance</b>	<b>1,075.89</b>	<b>1,075.89</b>

**(d) Retained earnings**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	17,253.10	17,945.72
Add/(less) : Profit/(Loss) for the year	(134.45)	(446.48)
less: Dividend	(233.21)	(233.21)
Add/(less) : Other comprehensive income/(loss) on remeasurement of defined benefit obligation (net of tax)	14.33	(12.93)
<b>Closing balance</b>	<b>16,899.77</b>	<b>17,253.10</b>

**Nature and purpose of reserves:**

1. Security premium will be utilised in accordance with the provisions of the Companies Act, 2013.
2. General reserve will be utilised for strengthening financial position and meeting the future contingencies and losses.
3. The retained earnings represent the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.
4. Amalgamation reserve which was created at the time of amalgamation, will be utilised as per the Companies Act, 2013.



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**15 Provisions (Non-current)**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for employee benefits		
- Leave encashment	6.72	12.19
<b>Total</b>	<b>6.72</b>	<b>12.19</b>

**16 Deferred tax liabilities (net)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deferred tax assets		
On expenses allowable on payment basis	0.31	-
On depreciation	798.91	815.55
Deferred tax liabilities		
On expenses allowable on payment basis	-	(2.91)
<b>Deferred tax liabilities (net)</b>	<b>799.23</b>	<b>812.64</b>

**Movement in deferred tax liabilities (net)**

Particulars	Total
<b>As at 31<sup>st</sup> March, 2022</b>	<b>928.87</b>
<b>(Charged)/Credited</b>	
to Statement of profit and loss	(116.23)
to Other comprehensive income	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>812.64</b>
<b>(Charged)/Credited</b>	
to Statement of profit and loss	(18.23)
to Other comprehensive income	4.82
<b>As at 31<sup>st</sup> March, 2024</b>	<b>799.23</b>

**17 Borrowings**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Secured loans		
Working capital loans from banks (Repayable on demand)	9,412.85	8,347.71
<b>Total</b>	<b>9,412.85</b>	<b>8,347.71</b>

**Note 17.1:** The Company has taken working capital facilities from Union Bank of India and State Bank of India against pledge of fixed deposits valuing ₹ 11,341.02 lakhs (Previous year ₹ 10,597.50 lakhs) of the company at an average interest rate of 5.54% p.a (PY:5.81% p.a.).

**18 Trade payables**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Dues to micro enterprises and small enterprises	5.96	-
Dues to creditors other than micro enterprises and small enterprises	1,143.10	1,065.01
<b>Total</b>	<b>1,149.07</b>	<b>1,065.01</b>



**KAKATIYA CEMENT SUGAR &  
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**18.1 Trade Payables ageing schedule**

As on 31<sup>st</sup> March, 2024

All amount ₹ in lakhs, unless otherwise stated

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i) MSME	5.96	-	-	-	-	-	5.96
ii) Others	6.29	204.71	498.59	9.29	92.57	261.98	1,073.43
iii) Disputed Dues-MSME	-	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	69.68	69.68
<b>Total:</b>	<b>12.25</b>	<b>204.71</b>	<b>498.59</b>	<b>9.29</b>	<b>92.57</b>	<b>331.65</b>	<b>1,149.07</b>

As on 31<sup>st</sup> March, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i) MSME	-	-	-	-	-	-	-
ii) Others	163.39	263.47	252.46	97.47	263.91	-	1,040.70
iii) Disputed Dues-MSME	-	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	24.31	24.31
<b>Total:</b>	<b>163.39</b>	<b>263.47</b>	<b>252.46</b>	<b>97.47</b>	<b>263.91</b>	<b>24.31</b>	<b>1,065.01</b>

**19 Other financial liabilities (Current)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Employee benefits payable	224.66	213.77
Unpaid dividends*	53.56	57.81
Mobilisation Fund	113.43	107.00
Security deposits from stockists	12.05	12.06
<b>Total</b>	<b>403.69</b>	<b>390.65</b>

\* There are no pending amounts to be transferred to Investor Education and Protection Fund.

**20 Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance from customers	133.41	276.86
Statutory liabilities	279.73	372.68
Electricity duty payable	319.57	319.57
Others	30.08	14.08
<b>Total</b>	<b>762.78</b>	<b>983.19</b>



**KAKATIYA CEMENT SUGAR &  
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**21 Provisions (Current)**

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for employee benefits		
Gratuity	2.48	-
Leave encashment	3.52	3.78
<b>Total</b>	<b>6.00</b>	<b>3.78</b>

**22 Revenue from operations**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Revenue from contracts with customers		
Sale of products	15,595.25	15,415.05
<b>Total</b>	<b>15,595.25</b>	<b>15,415.05</b>

\* Unadjusted banked energy units of ₹ 606.42 lakhs has been recognised by the TS-TRANSCO during the current year.

**Details of Products Sold**

Cement	9,783.96	10,498.48
Sugar	5,811.29	4,310.15
Power	-	606.42
<b>Total</b>	<b>15,595.25</b>	<b>15,415.05</b>

**23 Other Income**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Interest income on deposits with banks	1,169.71	1,025.40
Interest income from electricity deposits	54.50	62.49
Profit on sale of property, plant and equipment	14.00	-
Provisions no longer required written back	2.88	994.55
Miscellaneous income	19.68	71.70
<b>Total</b>	<b>1,260.77</b>	<b>2,154.14</b>

\* Income from interest on electricity deposit

**24 Cost of Materials consumed**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Limestone	620.65	636.68
Gypsum	210.92	273.41
Sugar cane	3,661.85	4,260.90
Laterite	354.81	256.47
Coal	73.22	136.65
Others	118.95	121.80
<b>Total</b>	<b>5,040.40</b>	<b>5,685.91</b>



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**25 Changes in inventories of finished goods and work-in-progress**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>Opening inventories</b>		
Finished goods	4,266.59	3,366.65
Work-in-progress	681.20	446.32
<b>(A)</b>	<b>4,947.79</b>	<b>3,812.97</b>
<b>Closing inventories</b>		
Finished goods	(3,310.90)	(4,266.59)
Work-in-progress	(1,553.33)	(681.20)
<b>(B)</b>	<b>(4,864.23)</b>	<b>(4,947.79)</b>
<b>Total (A-B)</b>	<b>83.56</b>	<b>(1,134.85)</b>

**26 Employee Benefits Expense**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Salaries, wages and bonus	1,749.00	1,693.20
Contribution to provident and other funds	99.52	107.83
Staff welfare expenses	135.79	135.99
<b>Total</b>	<b>1,984.31</b>	<b>1,937.03</b>

**27 Finance costs**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Interest on borrowings	513.26	570.36
<b>Total</b>	<b>513.26</b>	<b>570.36</b>

**28 Depreciation**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Depreciation on Property, plant and equipment	238.88	225.98
<b>Total</b>	<b>238.88</b>	<b>225.98</b>



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**29 Other expenses**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Consumption of stores and spares	787.25	782.86
Consumption of packing materials	504.63	598.14
Repairs and maintenance		
- Building	5.51	5.82
- Plant and equipment	293.05	252.63
- Others	110.20	53.51
Other manufacturing expenses	25.76	35.15
Donations	42.80	58.52
Travelling and conveyance expenses	23.05	25.98
Professional fee	37.42	28.75
Payment to auditors (Refer Note 29 a)	9.50	9.43
Insurance expenses	8.90	11.65
Communication and printing expenses	10.96	9.70
Advertisement and sales promotion expenses	15.05	16.29
Selling and marketing expenses	39.84	33.95
Rent, rates and taxes	100.65	101.16
Provision for bad and doubtful debts	0.27	273.13
Electricity charges	139.07	150.53
Security charges	189.00	210.14
Miscellaneous expenses	49.43	231.49
Corporate social responsibility expenditure (Refer Note 29 b)	1.99	10.32
<b>Total</b>	<b>2,394.33</b>	<b>2,899.16</b>

**29 a) Payment to Auditors**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>(a) To Statutory auditors</b>		
- Statutory audit fee	5.00	5.00
- Tax audit fees	1.25	1.25
- Quarterly Limited Review fees	1.50	1.43
<b>(b) To Others</b>		
- Cost Audit fees	1.75	1.75
<b>Total:</b>	<b>9.50</b>	<b>9.43</b>





**KAKATIYA CEMENT SUGAR &  
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**29 b) Corporate Social Responsibility expenditure**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Amount required to be spent as per Section 135 of the Act	-	24.99
Amount of expenditure incurred:		
1. Construction/ acquisition of any assets	-	10.32
2. On purposes other than (1) above	1.99	-
Shortfall at the end of the year*	-	14.67
Total of previous year shortfall	-	-
Reason for shortfall	Set off from previous year excess c/f balance	Set off from previous year excess c/f balance
Nature of CSR activities under Sec 135 read with Schedule VII of Companies Act, 2013	i) Eradicating Hunger II) Enhancing vocational skills to differently abled.	X) Rural Development. II) Promoting Education
Details of related party transactions in relation to CSR expenditure	Nil	Nil

\*Brought forward balance of CSR excess spent for the year 2020-21 is ₹ 80.39 lakhs and ₹ 14.67 lakhs has been utilised during the year 2022-23. Balance available ₹65.72 lakhs is available for utilisation on or before 31-03-2024.

**Note:** During the previous financial year, Company incurred losses. As per the amended CSR provisions of Section 135, when there was a loss in the previous financial year, Company need not spend CSR expenditure in the current financial year. However, Company spent ₹ 1.99 lakhs during the current financial year voluntarily in accordance with the decision taken by the CSR Committee as well as the Board.

Now, the carry forward balance for FY 2020-21 of ₹ 65.72 lakhs is expired and carry forward balance for FY:2021-22 of ₹ 14.17 lakhs is with a validity date till 31.03.2025 will carry to the next financial year."

**30 Earnings Per share**

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Net Profit/(Loss) attributable to the equity shareholders (A)	(134.45)	(446.47)
Weighted average number of equity shares outstanding during the year (B)	7772858	7772858
Face value of equity shares (₹)	10.00	10.00
Basic/Diluted earnings per share (₹) (A/B)	(1.73)	(5.74)



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### 31 Notes to employee benefits

#### Defined benefit plans

##### (i) leave Obligations

The leave obligation covers the company's liability for earned leave which is unfunded.

##### (ii) Defined contribution plan

The company has defined contribution plan namely provident fund. Contribution are made to provident fund at the rate of 12% of basic salary plus DA as per regulations. The contributions are made to 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 obligation. The expense recognised during the year towards defined contributions plan is as follows:

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Company's contribution to provident fund	99.52	107.83

##### (iii) Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of ₹ 20 Lakhs at the time of separation from the company."

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the fund status and amounts recognised in the balance sheet for the respective plans:

#### Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Defined benefit obligation at the beginning</b>	<b>277.91</b>	<b>295.07</b>
Current service cost	14.86	15.15
Interest expense	15.24	15.05
Benefits paid	(34.45)	(60.34)
Actuarial (gain)/ loss on obligations - OCI	(66.25)	12.98
<b>Defined benefit obligation at the end</b>	<b>207.31</b>	<b>277.91</b>

#### Components of Other Comprehensive Income

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Actuarial (gain) / loss on employee benefits	10.56	(12.93)
Less: Deferred Tax @ 25.168%	(2.66)	-
<b>Actuarial (gain) / loss on employee benefits (net of tax)</b>	<b>7.90</b>	<b>(12.93)</b>

#### Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Fair value of plan assets at the beginning	222.06	262.49
Defined benefit obligation at the beginning	220.36	295.07
<b>Amount recognised in the Balance Sheet at the beginning</b>	<b>(1.70)</b>	<b>(32.58)</b>
Fair value of plan assets at the end	204.83	222.06
Defined benefit obligation at the end	207.31	220.36
<b>Amount recognised in the Balance Sheet at the end</b>	<b>(2.48)</b>	<b>1.70</b>



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The principal assumptions used in determining gratuity are shown below:

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Discount rate	7.23%	7.50%
Salary escalation rate	4%	4%

### Economic and Demographic Assumptions

#### Economic Assumptions

Estimates of future compensation increases considered take into account the inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government securities as at 31<sup>st</sup> March, 2024 for the estimated term of the obligations.

#### Demographic Assumptions

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Retirement Age	58	58
Mortality table	IALM (2012-14)	IALM (2012-14)
Attrition rate	3%	3%

### Amount recognised in Statement of Profit and Loss:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current service cost	14.86	15.15
Net interest expense	(0.13)	(1.91)
Remeasurement of Net Benefit Liability/ Asset	-	12.93
<b>Amount recognised in Statement of Profit and Loss for year ended</b>	<b>14.74</b>	<b>26.17</b>

### Amount recognised in Other Comprehensive Income:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Actuarial (gain)/ loss on obligations	(8.71)	(12.89)
Return on plan assets (excluding amounts included in net interest expense)	(1.85)	(0.04)
<b>Amount recognised in Other Comprehensive Income for year ended</b>	<b>(10.56)</b>	<b>(12.93)</b>

### Amount recognised in the Balance Sheet consists of:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Fairvalue at the end of the year	204.83	222.06
Preset value of obligation at the end of the year	207.31	220.36
Recognises as		
Retirement benefit liability - non current	163.18	192.78
<b>Retirement benefit liability - current</b>	<b>44.13</b>	<b>27.58</b>

Fair value of plan assets - Employees joined before 2014 is funded by the LIC plan

Expected contribution to post employment benefit plan for the year ending 31.03.2025 is ₹ 207.31 lakhs



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### Quantitative sensitivity analysis for significant assumptions as shown below

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	Rate	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	Rate	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount rate	7.50%	7.23%	1%	198.45	210.05	1%	217.14	231.76
Salary growth rate	4.00%	4.00%	1%	216.78	231.34	1%	198.66	210.30
Attrition rate	3.00%	3.00%	1%	208.87	222.34	1%	205.57	218.18
Mortality rate	100%	100%	10%	207.38	159.74	10%	207.23	159.85

The above sensitivity analysis is based on a change in each 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.

#### v) Risk exposure

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

##### Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

##### Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

##### Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.



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**32 Contingent Liabilities:**

All amount ₹ in lakhs, unless otherwise stated

	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>
1	Appeal pending before the Hon'ble High Court of Telangana questioning levy of NPV by the Special Secretary Environment, Forests, Science & Technology Department Govt of A.P. for the forest land diverted to KCSIL for the purpose of Mining Lime Stone under Forest(Conservation)Act, 1980.	755.22	755.22
2	The appeal No.72/2014 dated 05.06.2014 and 73 28/2014 dated 25.06.2014 for the year 2011-12 & 2012-13 is pending, The Addl.Commissioner of Customs (Appeals), Guntur passed orders on 03.06.2020, remanding back the appeals to the adjudicating authority for denovo consideration as per the directions given by the Supreme Court in a case pertaining to Maruti Ispat and Energy Pvt Ltd & Others pending with the Hon'ble Supreme Court. Further in the Order the Department was directed not to enforce any demand from the Appellant - KCSIL vice versa the Appellant was directed not to make any claim for refund (if any) that accrued during the intervening period. The said case is yet to be adjudicated by the Supreme Court.	65.77	65.77
3	For the Asst. years 1999-00 (ITTA No.464/2010), 2000-01 (ITTA No.34/2011) and 2001-02 (ITTA No.33/2011). The Company paid Income tax of ₹ 123.98 lakhs under protest against the demand of ₹ 136.40 lakhs towards disallowance of un-absorbed depreciation / losses. The matter is pending in appeal before the Hon'ble High Court of Telangana.	12.42	12.42
4	For the Asst.Year 2009-10 (ITTA No.748/2015) penalty has been imposed and the same was adjusted against the refund due and pending in ITAT Hyderabad for the Asst.Year 2014-15. The CIT(A) disposed of the case in favour of the company allowing 80IA deduction, against which the IT department had filed an appeal in ITAT, Hyderabad against the demand of ₹ 2581.75 lakhs, which is pending.	2,581.75	2,581.75
5	The Income Tax Appeal for AY:2011-12 is filed by the Revenue questioning the Order dated 18.10.2016 passed by the Appellate Tribunal in ITA No. 412/H/2016. The Income Tax Appellate Tribunal, Hyderabad following its own identical orders passed in favour of KCSIL held that "Cogeneration power plant is an independent undertaking eligible for deduction U/s. 80IA of the IT. Act". Aggrieved by the Order of the Income Tax Appellate Tribunal, the Revenue filed Appeal before the Hon'ble High Court of Telangana.	152.50	152.50
6	For the Asst. Year 2012-13(ITTA No.1283/2017) there was a demand of ₹ 120.68 lakhs towards denial of exemption u/s. 80-IA to Company's Power Division and the same was adjusted against refund due. The matter is pending before ITAT, Hyderabad.	120.68	120.68



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7	For the A.Y.2014-15 the Income Tax department has filed an appeal before the Hon'ble High Court of Telangana at Hyderabad against the order dated 23.07.2021 of the Appellate Tribunal in ITA No.268/H/2019, requesting to state a case for the opinion for the 80IA allowances given by the Appellate Tribunal aggregating ₹ 427.94 lakhs.	427.94	427.94
8	For the A.Y.2016-17 (ITAT No.66/2021), the company has filed an appeal before the CIT(A) against the orders passed by the Assessing Officer disallowing 80IA deduction under IT Act. The CIT(A) as well as ITAT, Hyderabad disposed of the case in favour of the company allowing 80IA deduction, against which the IT department had filed an appeal (ITTA 66 of 2021) in the Hon'ble High Court of Telangana, Hyderabad, which is pending.	969.26	969.26
9	The Company has received Demand notices dated 07.01.2021, 11.02.2021 from TSNPDCL, Warangal directing the Company to pay a sum of ₹ 2053.86 lakhs towards Grid Support Charges for the period commencing from 12.04.2002 and ending with 31.03.2009. The Company has disputed the claim of TSNPDCL and recovery of the Grid Support Charges from out of the amount payable to the Company for the power supplied to TRANSCO by filing Original Petition (OP.NO. 35/2023). Final Hearing in the O.P. has been concluded on 06.05.2024 and the parties need to file Written submissions by 05.06.2024 after which the O.P. will be reserved for Orders.	2,053.86	2,053.86
10	Under Protest KCSIL has paid the crystallised Principal sum of ₹ 11,95,82,966/- claimed by TSSPDCL towards differential wheeling charges in two parts i.e. ₹ 8,00,00,000/- on 24.03.2022 and ₹ 3,95,82,966/- on 27.10.2022 and disputed the levy of interest and surcharge amounting to ₹ 42,36,86,659/- levied by TSSPDCL through its notice dated 07.07.2023 by way of filing a Original Petition (O.P. No. 36/2023) before the Telangana State Electricity Regulatory. Final Hearing in the O.P. has been concluded on 06.05.2024 and the parties need to file Written submissions by 05.06.2024 after which the O.P. will be reserved for Orders.	4,236.87	4,236.87
11	On 03.07.2023, KCSIL has paid the revised differential wheeling charges of ₹ 55,15,496/- determined by APCPDCL in respect of VJA-489 for the period from Fy.2002-03 to Fy.2014-15 vide its letter dated 13.06.2013. But thereafter the CMD of APCPDCL, vide his letter dated 05.12.2013 levied a further amount of ₹ 30,61,100/- on differential wheeling charges calculated w.e.f. 07.07.2020. KCSIL has disputed levy of Surcharge by way of filing an O.P. No. 05/2023 before the Andhra Pradesh Electricity Commission. The O.P. is posted to 19.06.2024 for hearing.	30.61	30.61
12	The Joint Commissioner of Sale Tax vide it's Order dated 09.01.2024 revised the proceedings issued by the Assistant Commissioner of Sale Tax for the Assessment Year 2015-16 by levying tax of ₹ 4,35,60,832. Questioning the revisional Order dated 09.01.2024, KCSIL filed W.P.No.3148/2024 before the High Court of Telangana.	435.61	-



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13	<p>A demand notice on 07.01.2021 was received from TSSPDCL, Suryapet, Telangana towards differential C.C. charges commencing from April 2014 and ending with February 2020. The Company vide its reply dated 22.01.2021 stated that it had entered into an HT agreement with TSSPDCL wherein it has declared its CMD as 4980 KVA for obtaining supply under 132 KV voltage category. TSSPDCL having agreed for the same in the agreement cannot revise the CC Bills. Hence, the Company requested the authority to withdraw the said letter. But till date no further developments took place by TSSPDCL.</p>	425.91	425.91
14	<p>On 22.07.2022 KCSIL has received a demand notice from TSTRANSCO claiming an amount of ₹ 7,37,30,713/- towards Transmission Charges from 01.04.2004 to 11.04.2022. KCSIL submitted its replies dated 25.01.2023 and 11.03.2023 and reiterated its stand taken vide its letter dated 11.10.2022 where the Company disputed the said charges till 21.07.2020 are time barred. No further development has taken place.</p>	737.31	737.31
15	<p>The Company has received a notice dated 26.04.2024 from the Superintending Engineer, Operation Circle, TSSPDCL, Suryapet to HT Service No. SPT 427 attached to its Cement Factory, demanding an amount of ₹ 14,10,82,724/- towards Grid Support Charges calculated from Fy.2002-03 to Fy.2008-09.</p> <p>The Company Cement Factory does not have any Captive Power Plant (CPP) in parallel with the Grid. Further the Claim of TSSPDCL towards Grid Support Charges are time barred as the demand was first made on 29.08.22. The Company has furnished a reply dated 09-05-2024 to TSSPDCL denying its liability</p>	1,410.83	-
16	<p>KCSIL has questioned the levy of Electricity duty @0.25 paise per unit on Captive Consumption w.e.f 17.07.2013 in W.P. No.20536/2009 &amp; Batch filed before Hon'ble High Court of Telangana. The Hon'ble High Court dismissed our W.P. on 19.05.2016. Thereafter the Company preferred SLP before the Hon'ble Supreme Court of India. As per the Interim Orders dated 14.09.16 &amp; 27.09.16, the Company has paid an amount of ₹ 0.6 paise per unit and ₹ 0.9 Paise per unit respectively out of the demand of ₹ 0.25 paise per unit. Depending on the outcome of the Order, the Company may have to pay the balance 0.10 paise per unit equalling to ₹ 3,21,75,024/- towards Elecl Duty. Hence provision is being provided for the balance amount.</p>	321.75	-
17	<p>W.P.No.13571/2010 KCSIL Vs. Govt. of A.P. GO.No. 35/2010, dated. 06.05.10 was issued by Govt of A.P. fixing the permit fee as ₹ 10/- per Tonne for transporting the lime stone.</p> <p>Questioning the same KCSIL filed the present Writ Petition. Interim Order granted on 28.02.11 directing KCSIL to pay ₹ 3.33 per tonne till the disposal of the W.P. as permit fee to the Govt. Counter affidavit was filed by the D.F.O for which Reply affidavit filed by KCSIL. Case is not listed yet.</p>	164.28	-

**33 Capital and other commitments ₹ Nil (P.Y ₹ Nil)**



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**34. Related Party Transactions**

**Names of Related Parties and nature of relationships:**

Names of the related parties	Nature of relationship
<b>i) Key Management Personnel (KMP):</b>	
Sri P.Veeraiah	Chairman & Managing director
Sri V. Sesha Sayee	Company Secretary & Compliance Officer"
Dr.P.Anuradha	Chief Executive Officer
Sri M Bhavani Dattu	Chief Financial Officer
Sri Seshagiri Rao Jasti	Non executive/Non Independent Director
Sri TRC Bose	Independent Director (upto 31.03.2024)
Sri BV Subbaiah	Independent Director (upto 31.03.2024)
Sri K Venkata Rao	Independent Director (Upto 01.06.2023)
Smt M Varalakshmi	Non executive/Non Independent Director
Smt Hima Bindu Myneni	Independent Director
Shri V.Sivarama Krishna Murthy	Independent Director (From 04.08.2023)
<b>ii) Close members of key management personnel:</b>	
Smt P.Samrajyam	Mother of Sri P.Veeraiah
Smt Triveni Jasti	Sister of Sri P. Veeraiah
Smt Shanti Jetty	Sister of Sri P. Veeraiah
Smt Jasti Lakshmi Nalini	Sister of Sri P. Veeraiah
Smt Sukumari Koneru	Sister of Sri P. Veeraiah
<b>iii) Enterprises in which key management personnel has control</b>	
Sri P.Veeraiah (HUF)	

**Details of transactions during the year where related party relationship existed:**

All amount ₹ in lakhs, unless otherwise stated

Names of the related parties	Nature of Transactions	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Sri P.Veeraiah	Remuneration	129.26	129.35
Dr.P.Anuradha	Remuneration	50.59	45.58
Sri V. Sesha Sayee	Remuneration	24.00	24.00
Sri M Bhavani Dattu	Remuneration	10.80	10.80
Sri B K Prasad	Remuneration	-	4.80
Sri TRC Bose	Sitting Fee & Reimbursement of expenses	1.00	1.05
Sri BV Subbaiah	Sitting Fee & Reimbursement of expenses	1.00	1.00
Sri Seshagiri Rao Jasti	Sitting Fee & Reimbursement of expenses	0.85	0.85
Sri K Venkata Rao	Sitting Fee & Reimbursement of expenses	0.20	0.45
Smt M Varalakshmi	Sitting Fee & Reimbursement of expenses	0.50	0.65
Smt Hima Bindu Myneni	Sitting Fee & Reimbursement of expenses	0.75	0.60
Shri V.Siva Ramakrishna Murthy	Sitting Fee & Reimbursement of expenses	0.55	-
Sri P.Veeraiah (HUF)	Rent paid	34.00	24.00
Sri P.Veeraiah	Dividend paid	108.32	107.40
Smt P.Samrajyam	Dividend paid	9.70	9.70
Smt Triveni Jasti	Dividend paid	2.09	2.09
Smt Shanti Jetty	Dividend paid	1.74	1.74
Smt Jasti Lakshmi Nalini	Dividend paid	0.86	0.86
Smt Sukumari Koneru	Dividend paid	0.36	0.36
Sri Seshagiri Rao Jasti	Dividend paid	0.30	0.30
Sri B K Prasad	Dividend paid	-	0.02





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**Details of outstanding balances as at the year end where related party relationship existed:**

All amount ₹ in lakhs, unless otherwise stated

Names of the related parties	Nature of Transactions	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Sri P.Veeraiah (HUF)	Rent	3.00	2.00
Sri P. Veeraiah	Remuneration	9.80	9.80
Dr.P.Anuradha	Remuneration	4.28	3.83
Sri V. Sesha Sayee	Remuneration	2.00	2.00
Sri M Bhavani Dattu	Remuneration	0.90	0.90

**35. Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Assets measured at amortised cost</b>				
Non-current				
Investments	2.80	2.80	0.95	0.95
Other financial assets	7,973.19	7,973.19	6,640.50	6,640.50
<b>Current</b>				
Other financial assets	515.81	515.81	475.41	475.41
Trade receivables	1,812.49	1,812.49	1,796.60	1,796.60
Cash and cash equivalents	54.58	54.58	137.84	137.84
Other Bank Balances	11,548.75	11,548.75	11,645.95	11,645.95
<b>Total</b>	<b>21,907.62</b>	<b>21,907.62</b>	<b>20,697.25</b>	<b>20,697.25</b>
<b>Financial Liabilities measured at amortised cost</b>				
Non Current				
<b>Current</b>				
Short term borrowings	9,412.85	9,412.85	8,347.71	8,347.71
Trade Payables	1,149.07	1,149.07	1,065.01	1,065.01
Other Financial liabilities	403.69	403.69	390.65	390.65
<b>Total</b>	<b>10,965.61</b>	<b>10,965.61</b>	<b>9,803.37</b>	<b>9,803.37</b>



**36 Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31<sup>st</sup> March, 2024** All amount ₹ in lakhs, unless otherwise stated

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at amortised cost</b>					
<b>Non-current Investments</b>					
Other financial assets	31 <sup>st</sup> March, 2024	2.80			2.80
Current	31 <sup>st</sup> March, 2024	7973.19			7973.19
Other financial assets	31 <sup>st</sup> March, 2024	515.81			515.81
Trade receivables	31 <sup>st</sup> March, 2024	1,812.49			1,812.49
Cash and cash equivalents	31 <sup>st</sup> March, 2024	54.58			54.58
Other Bank Balances	31 <sup>st</sup> March, 2024	11,548.75			11,548.75

**Quantitative disclosures fair value measurement hierarchy for assets as at 31<sup>st</sup> March, 2023:**

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at amortised cost</b>					
<b>Non-current Investments</b>					
Other financial assets	31 <sup>st</sup> March, 2023	0.95			0.95
Current	31 <sup>st</sup> March, 2023	6640.50			6640.50
Other financial assets	31 <sup>st</sup> March, 2023	475.41			475.41
Trade receivables	31 <sup>st</sup> March, 2023	1,796.60			1,796.60
Cash and cash equivalents	31 <sup>st</sup> March, 2023	137.84			137.84
Other Bank Balances	31 <sup>st</sup> March, 2023	11,645.95			11,645.95

**Quantitative disclosures fair value measurement hierarchy for liabilities as at 31<sup>st</sup> March, 2024:**

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Liabilities measured at amortised cost</b>					
<b>Non Current</b>					
Current	31 <sup>st</sup> March, 2024	-			-
Short term borrowings	31 <sup>st</sup> March, 2024	9,412.85			9,412.85
Trade Payables	31 <sup>st</sup> March, 2024	1,149.07			1,149.07
Current Maturities of long term borrowings	31 <sup>st</sup> March, 2024	-			-
Other Financial liabilities	31 <sup>st</sup> March, 2024	403.69			403.69



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### Quantitative disclosures fair value measurement hierarchy for liabilities as at 31<sup>st</sup> March, 2023:

All amount ₹ in lakhs, unless otherwise stated

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at amortised cost:					
Non Current	31 <sup>st</sup> March, 2023	-			-
Current					
Short term borrowings	31 <sup>st</sup> March, 2023	8347.71	-		8,347.71
Trade Payables	31 <sup>st</sup> March, 2023	1065.01	-		1,065.01
Current Maturities of long term borrowings	31 <sup>st</sup> March, 2023	-			-
Other Financial liabilities	31 <sup>st</sup> March, 2023	390.65	-		390.65

The management assessed that fair value of financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. Further, the subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate method.

#### The following methods and assumptions were used to estimate fair values :

- The fair value of the Company's interest bearings borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- For other non-current financial assets and liabilities the fair value is the same as the amortized cost, measured using the discount rate at the time of initial recognition of financial assets and liabilities
- A one percent change in the unobserved inputs used in fair valuation of level 3 Assets and liabilities does not have a significant impact in its value.

#### Fair value of financial assets and financial liabilities

- The carrying value of the current financial assets and current financial liabilities are considered to be same as their values, due to their short-term nature. The non-current borrowings and securities deposits are carried at amortized cost which is considered as their fair value.



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### 37 Financial risk management objectives and policies

#### Financial Risk Management Framework

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

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk ( interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

#### A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

#### Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as follows:

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Other financial assets	515.81	475.41
Trade receivables	1,812.49	1,796.60

#### Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The company is not expecting any credit loss allowance which is calculated on life time expected credit losses for trade receivables. Credit loss provision on security deposits is taken as 12 months expected credit loss and no loss is expected as at 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023

Credit risk on trade receivables and other financial assets is evaluated as follows:

#### (i) Expected credit loss for trade receivable under simplified approach:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Gross carrying amount	3089.40	3073.87
Expected credit loss	(1,276.92)	(1,277.27)
<b>Carrying amount of trade receivables</b>	<b>1812.49</b>	<b>1796.60</b>



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**(ii) Reconciliation of loss allowance provision**

All amount ₹ in lakhs, unless otherwise stated

Particulars	Trade receivables
<b>Loss allowance as at 01<sup>st</sup> April, 2022</b>	<b>(1,277.27)</b>
Changes in loss allowance during the year	-
Loss allowance as at 01 <sup>st</sup> April, 2023	(1,277.27)
Changes in loss allowance during the year	(0.35)
<b>Loss allowance as at 31<sup>st</sup> March, 2024</b>	<b>1,276.92</b>

**(iii) Expected credit loss for other financial assets under simplified approach:**

Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Gross carrying amount	515.81	475.41
Expected credit loss	-	-
<b>Carrying amount of trade receivables</b>	<b>515.81</b>	<b>475.41</b>

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the authorised person. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**B. Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

All amount ₹ in lakhs, unless otherwise stated

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31<sup>st</sup> March, 2024</b>						
Borrowings	9,412.85					9,412.85
Trade and other payables	-	12.25	498.59	433.52	-	944.36
Other financial liabilities	403.69	-	-	-	-	403.69
<b>Year ended 31<sup>st</sup> March, 2023</b>						
Borrowings	8,347.71	-	-	-	-	8,347.71
Trade and other payables	-	255.96	777.91	31.14	-	1,065.01
Other financial liabilities	283.65	-	-	-	-	283.65

Expected finance costs for the year ending 31<sup>st</sup> March, 2025 is ₹ 1675.63



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### C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and other price risk, such financial instruments affected by market risk include loans and borrowings, deposits etc.

#### Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowings. The company has borrowed funds on fixed rate of interest, there is no impact on the entity due to any interest fluctuations.

### 38 Capital Management

#### A. Capital Management and gearing Ratio:

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

Capital includes equity attributable to the equity holders. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current Borrowings	9,412.85	8,347.71
<b>Net Debt</b>	<b>9,412.85</b>	<b>8,347.71</b>
Equity	777.39	777.39
Other Equity	21,747.21	22,100.53
<b>Total Capital</b>	<b>22,524.59</b>	<b>22,877.91</b>
<b>Gearing ratio ( % )</b>	<b>41.79%</b>	<b>36.49%</b>

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 interest-bearing loans and 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 year ended 31st March, 2024 and 31<sup>st</sup> March, 2023.

#### B. Dividend

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
For the year ended, the directors have recommended final dividend of ₹ 3.00/- per fully paid equity share (March 31, 2023 - ₹ 3/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	233.21	233.21



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### 39 Dues to Micro enterprises and small enterprises

The dues to Micro enterprises and small enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of accounting year		
Principal amount	5.96	-
Interest due	-	-
ii) Amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
iii) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
v) Amount of further interest remaining due and payable even in the succeeding year, 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 MSMED Act, 2006.	-	-

**Note:** Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

### 40. Ind AS 115 – Revenue from Contracts with Customers

#### A. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Revenue from contract with customer as per contract price	15,595.25	15,415.05
Less: Discounts and Incentives	-	-
Less: Sales Returns/Credits/Reversals	-	-
Revenue from contract with customer as per statement of profit and loss	15,595.25	15,415.05

The amounts receivable from customers become due after expiry of credit period which on an average is 15 to 30 days. There is no significant financing component in any transaction with the customers.

The Company does not provide performance warranty for products, therefore there is no liability towards performance.

The Company does not have any material performance obligations which are outstanding as at the year end as the contracts entered for sale of goods are for short term in nature.

#### (B) Reconciliation of revenue recognised from Contract liability (Advance from Customers):

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening contract liability	276.86	187.04
Closing contract liability	133.41	276.86



## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### 41. Analytical Ratios

All amount ₹ in lakhs, unless otherwise stated

S.No.	Ratio	Numerator/ Denominator	Current Year	Previous year	Variance (%)	Reasons
(a)	Current ratio (in times)	Current Assets Current Liabilities	1.88	2.13	(11.61)	Mainly about ₹ 20Cr worth FDs converted from Current to non-current during the year
(b)	Debt-equity ratio (in times)	Total Debt Shareholders equity	0.56	0.51	9.66	
(c)	Debt service coverage ratio (in times)	Earnings available for Debt Service Debt Service	-	-	-	
(d)	Return on equity ratio (in %)	Net profit after tax- preference dividend Average shareholder's equity	(0.60)	(1.95)	(0.69)	
(e)	Inventory turnover ratio (in times)	Cost of goods sold or sales Average Inventory	40.10	42.00	(0.05)	
(f)	Trade receivables turnover ratio (in times)	Net Credit Sales Average Accounts Receivable	11.62	11.65	-	
(g)	Trade payables turnover ratio (in times)	Net Credit Purchases Average Trade Payables	1.94	1.92	0.77	
(h)	Net capital turnover ratio (in times)	Net Sales Working Capital	13.57	14.47	(6.23)	
(i)	Net profit ratio (in %)	Net Profit Net Sales	(0.01)	(0.03)	(70.23)	i) Sales Tax paid under protest ₹ 233.44 lakhs during the FY:2022-23. ii) Provision for bad and doubtful debts made ₹ 272.86 lakhs during the FY:2022-23.
(j)	Return on capital employed (in %)	Earning before interest and taxes Capital Employed	0.03	0.01	160.66	Net Profit before tax reduced by ₹ 410 due to the reason mentioned above in point no.(i).
(k)	Return on Investment	Income generated from invested funds Average invested funds in treasury investments	(0.45)	(0.81)	(45.01)	Increase in Share Value from ₹ 52/- to ₹ 153/- when compared with Previous Year.

### 42 Segment information

The Company's activities are organised into three operating segments namely Cement, Sugar and Power. The Segments are the basis on which the company reports its segment information

Cement division - produce, manufacture, refine and prepare the portland cement

Sugar division - deals mainly with the crushing of sugar-cane

Power division - generates and distributes the power

They primarily uses a measure of profit before tax to assess the performance of the operating segments.





## KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

### Information about Products:

Revenue from external customers- sale of cement : ₹ 9,783.96 lakhs (P.Y: ₹ 10,498.48 lakhs)

Revenue from external customers- sale of sugar : ₹ 5,811.29 lakhs (P.Y: ₹ 4,310.15 lakhs)

Revenue from external customers- sale of power : ₹ Nil (P.Y: ₹ 606.42 lakhs)

The company has not made external sales to a single customer meeting the criteria of 10% or more of the entity's revenue.

### Segment revenue and expenses:

The Company has an established basis of allocating Joint/Corporate expenses to the segments, which is reasonable, and followed consistently. All other segment revenue and expenses are attributable to the segments.

### Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions that are reported as direct offsets in the balance sheet. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. In such cases, the entire revenue and expenses of these assets including depreciation are also allocated to the same segments. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.

### Inter segment transfers:

The Company accounts for inter segment sales and transfer at average Market price.

### Summary of segment information

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>A. Revenue</b>		
Segment revenue		
Cement	9,783.96	10,498.46
Sugar	6,388.06	5,061.69
Power	124.32	1,069.97
	16,296.34	16,630.12
Less: Inter Segment sales	701.08	1,215.09
<b>Total revenue</b>	<b>15,595.25</b>	<b>15,415.03</b>
<b>B. Segment profit</b>		
Cement	405.42	(1,004.32)
Sugar	62.51	(8.23)
Power	(107.35)	1,020.21
<b>Segment operating profit</b>	<b>360.58</b>	<b>7.65</b>
<b>Operating profit</b>	<b>360.58</b>	<b>7.65</b>
Finance costs	513.26	570.36
<b>Profit before tax</b>	<b>(152.68)</b>	<b>(562.71)</b>
Tax expense	(18.23)	(116.23)
<b>Profit/(Loss) after tax</b>	<b>(134.45)</b>	<b>(446.47)</b>



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Segment Assets</b>		
Cement	11,672.64	10,464.33
Sugar	15,306.69	15,904.95
Power	8,085.60	8,123.80
<b>Total assets</b>	<b>35,064.93</b>	<b>34,493.08</b>
<b>Segment liabilities</b>		
Cement	2,054.93	2,141.89
Sugar	10,165.83	9,153.71
Power	319.57	319.57
<b>Total liabilities</b>	<b>12,540.33</b>	<b>11,615.17</b>

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Geographical segment revenue by location of customers</b>		
India	15,595.25	15,415.05
Outside India	-	-
<b>TOTAL</b>	<b>15,595.25</b>	<b>15,415.05</b>

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Geographical segment assets</b>		
India	35,064.93	34,493.08
Outside India	-	-
<b>TOTAL</b>	<b>35,064.93</b>	<b>34,493.08</b>

**43 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.

- 44** The Financial Statements were approved and authorised for issue by the Board of Directors of the Company on 23<sup>rd</sup> May, 2024.
- 45** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 46** The accounting software that is being used by the Company for maintaining its books of account does not have the feature of audit trail (edit log) facility both at the application level and database level.

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

As per our Report of even date

**For M. ANANDAM & CO.**

Chartered Accountants

(Firm Registration Number: 000125S)

**A.V. Sadasiva**

Partner

Membership Number:018404

Place : Hyderabad

Date : 23.05.2024

on behalf of the Board of Directors

**P.Veeraiah**

Chairman & Managing Director

DIN: 00276769

**M.Bhavani Dattu**

Chief Financial Officer

(PAN:AECPM1280L)

**V. Sesa Sayee**

Company Secretary

(M.No.: A9827)



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

**ATTENDANCE SLIP**

Folio No./ Client ID No :	No. of shares held :
DP ID. :	E-Mail ID :

NAME :

ADDRESS :

I hereby record my presence at the 45<sup>th</sup> Annual General Meeting of the Company on Thursday, 29<sup>th</sup> August, 2024 at 11.00A.M. Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500020.

Signature of Shareholder / proxy

**PROXY FORM**

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/Client Id :
DP ID :

I/We being the member(s) of Kakatiya Cement Sugar & Industries Limited, hereby appoint:

1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 29<sup>th</sup> August, 2024 at 11.00 A.M. at Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500 020 and at any adjournment thereof in respect of such resolutions as are indicated below:



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

<b>Resolutions</b>	<b>For</b>	<b>Against</b>
1. Audited Financial Statements, Reports of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March, 2024.		
2. Declaration of Dividend on Equity Shares.		
3. To appoint a Director in place of Shri J.S. Rao who retires by rotation and being eligible offers himself for re-appointment.		
4. Re-appointment of Dr. P. Anuradha as Chief Executive Officer of the Company for period of three years w.e.f. 25 <sup>th</sup> May, 2024.		
5. Ratification of remuneration payable to M/s. Narasimha Murthy & Co., Cost Accountants the Cost Auditors of the Company for the Financial year ending 31 <sup>st</sup> March, 2025.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signature of shareholder \_\_\_\_\_

Affix One Rupee  
Revenue Stamp

Signature of proxy holder (s)

Note:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting and a Proxy need not be a member of the Company.**
2. Shareholder/Proxy holder, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting venue.
3. Members are requested to advise the change of their address, if any, to the Company at the above address.

**Members who have not dematerialized their holdings are requested to do so at the earliest in compliance with the requirements of SEBI.**

**NO GIFTS / COMPLIMENTS WILL BE DISTRIBUTED AT THE MEETING.**



# KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

## Route Map to AGM Venue





**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

A large rectangular area enclosed by a double-line border, containing numerous horizontal dotted lines for writing.

If undelivered, please return to:



**KAKATIYA CEMENT SUGAR &  
INDUSTRIES LIMITED**

1-10-140/1, "GURUKRUPA"  
ASHOKNAGAR,  
HYDERABAD - 500 020.  
CIN No. L26942TG1979PLC002485  
Website: [www.kakatiyacements.com](http://www.kakatiyacements.com)  
Phone: 040-27637717