

Ref: B/SCL/SE/SS/132/2024-25  
July 23, 2024

<b>BSE Limited,</b> <b>Corporate Relationship Manager ,</b> 1st Floor, New Trading Ring, Rotunda Bldg, P.J.Tower, Dalal Street, Mumbai 400001 <b>Stock Code : 502175</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 <b>Stock Symbol : SAURASHCEM</b>
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Dear Sir/Madam,

**Sub: Notice of the 66<sup>th</sup> Annual General Meeting ('AGM') and Annual Report of the Company for the FY 2023-24 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

The 66<sup>th</sup> Annual General Meeting ('AGM') of Saurashtra Cement Limited will be held on Wednesday, the 21<sup>st</sup> August, 2024 at 2.30 p.m. (IST) via two-way Video Conference (VC) / Other Audio-Visual Means (OAVM).

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Notice to the 66<sup>th</sup> AGM and Annual Report of the Company for the Financial Year 2023-24.

The Notice of the 66<sup>th</sup> AGM of the Company is available on the website of the Company at <https://scl.mehtagroup.com/investors/agm-notice>

The Annual Report for FY 2023-24 of the Company is available on the website of the Company at <https://scl.mehtagroup.com/investors/financials/annual-reports>

This is for your information and records.

Thanking you,

Yours faithfully  
For Saurashtra Cement Limited

Digitally signed  
by Sonali Sanas  
Date: 2024.07.23  
11:54:11  
+05'30'

Sonali Sanas  
Chief Legal Officer, CS & Strategy

Encl: as above



Regd. Office & Works  
Near Railway Station, Ranavav 360 550  
Gujarat, India

**SAURASHTRA CEMENT LIMITED**

(CIN: L26941GJ1956PLC000840)

Registered Office: Near Railway Station, Ranavav-360550, Dist: Porbandar (Gujarat)

E-Mail: [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com)Website: <https://www.hathi-sidheecements.com/>

Phone: 02801-234200 | Corporate Office Phone: 022-66365444

**NOTICE**

Notice is hereby given that the **66<sup>th</sup> Annual General Meeting (AGM)** of the Shareholders of the Company will be held on **Wednesday the 21<sup>st</sup> day of August, 2024 at 2.30 p.m.** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2024 and Directors' and Auditors' Report thereon.
2. To confirm payment of interim dividend of ₹ 1/- per share for the period ended 31<sup>st</sup> December, 2023 and to declare final dividend of ₹ 1/- per share on 11,09,82,543 fully paid up Equity Shares of ₹ 10/- each as on record date for the Financial Year ended 31<sup>st</sup> March, 2024.
3. To appoint a Director in place of Mr. Hemang D. Mehta (DIN:00146580), Non-Executive, Non-Independent Director who retires by rotation, and being eligible, offers himself for re- appointment.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution for the appointment and remuneration of the Cost Auditor for the Financial Year ending March 31, 2025 as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013, the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. M. Goyal & Co, Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2025, at a remuneration of ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus Goods and Services Tax (GST) and reimbursement of out of pocket expenses incurred by them during the course of Audit, be and is hereby approved."

**"RESOLVED FURTHER THAT** Mr. M. S. Gilotra, Managing Director or Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy be and are hereby authorized to sign and file all the requisite e-forms along with such other documents as may be required, with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment of Mr. Viren Ajitkumar Merchant (DIN: 00033464) as Non-Executive, Independent Director of the Company as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013; Companies (Appointment & Qualification of Directors) Rules, 2014; and Regulations 16, 17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Articles of Association of the Company; Mr. Viren Ajitkumar Merchant (DIN:00033464) who was appointed as an Additional Director of the Company categorized as 'Non-Executive, Independent Director' by the Board of Directors at its meeting held on 28<sup>th</sup> May, 2024 and who holds office of Independent Director upto the conclusion of the ensuing Annual General Meeting and being eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold a term of five (5) consecutive years from 28<sup>th</sup> May, 2024 to 27<sup>th</sup> May, 2029."

**"RESOLVED FURTHER THAT** Mr. M. S. Gilotra, Managing Director or Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy be and are hereby authorized to sign and file all the requisite e-forms along with such other documents as may be required, with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution."

6. To consider and, if thought fit, to pass, with or without modification, the following resolution for Alteration of the Company's Articles of Association by addition of new sub-clause no.(vii) after the existing sub-clause no.(vi) in Article 176A – Appointment of Chairman Emeritus as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 read with Rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Shareholders be and is hereby accorded to alter the Articles of Association of the Company, by addition of the following new sub-clause no.(vii) after the existing sub-clause no.(vi) in Article 176 A of the Articles of Association of the Company as follows:

"(vii) – In addition to the above, at any time, the Board may decide to title any Director as "Chairman Emeritus" wherein such Director may continue to be on the Board of the Company and Article 176A (iv) shall not be applicable for such honorary title."

**"RESOLVED FURTHER THAT** Mr. M. S. Gilotra, Managing Director or Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy be and are hereby authorised to sign and file all the requisite e-forms including Form MGT-14 along with such other documents as may be required, with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution."

7. To consider of and, if thought fit, to pass, with or without modification, the following resolution for continuation of Mr. Mahendra N. Mehta (DIN: 00632865) as Non-Executive, Non-Independent Director, liable to retire by rotation as a **Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 149 and 152 of the Companies Act, 2013, Regulation 17 and 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, consent of the Shareholders be and is hereby accorded for continuation of Mr. Mahendra N. Mehta (DIN: 00632865) as Non-Executive, Non Independent Director liable to retire by rotation with effect from 21<sup>st</sup> August, 2024."

**"RESOLVED FURTHER THAT** Mr. M. S. Gilotra, Managing Director or Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy be and are hereby authorized to sign and file all the requisite e-forms along with such other documents as may be required, with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution."

8. To consider and, if thought fit, to pass, with or without modification, the following resolution for the change in designation of Mr. Jay M. Mehta (DIN: 00152072) from Executive Vice Chairman to Executive Chairman as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 149, 196, 197, 198, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, approval of the Shareholders be and is hereby accorded for change in designation of Mr. Jay M. Mehta (DIN: 00152072) from "Executive Vice Chairman" to "Executive Chairman" of the Company with effect from 21<sup>st</sup> August, 2024 and he shall hold office in the capacity of "Executive Chairman" upto 31<sup>st</sup> December, 2026."

**"RESOLVED FURTHER THAT** all other terms and conditions including term, remuneration, payment of commission, perquisites, benefits etc. and the tenure of Mr. Jay Mehta pursuant to change in his designation to Executive Chairman continues to remain the same as was approved by the Shareholders at the Annual General Meeting of the Company held on 17<sup>th</sup> August, 2023."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company/Committee of the Board be and is hereby authorized to alter, amend or vary the terms and conditions as may be agreed to between the Board of Directors and Mr. Jay Mehta within such guidelines or amendments as may be prescribed under the Companies Act, 2013 or subject to such approval as may be required."

**"RESOLVED FURTHER THAT** Mr. M. S. Gilotra, Managing Director or Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy be and are hereby authorized to sign and file all the requisite e-forms along with such other documents as may be required, with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be ancillary or incidental thereto for giving effect to this resolution."

**By the Order of the Board of the Directors**

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy

Place : Mumbai  
Dated : 28<sup>th</sup> May, 2024  
Registered Office:  
Near Railway Station  
Ranavav-360550  
Dist: Porbandar, Gujarat

**NOTES:****1. Explanatory Statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 ("the Act") in respect of special business to be transacted at the AGM is annexed to this Notice.**

2. The relevant details of Director seeking change in designation and appointment/re-appointment under Item No. 3, 5, 7 and 8 of the Notice, as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2 issued by the Institute of Company Secretaries of India on General Meetings is annexed.
3. The Ministry of Corporate Affairs ("MCA") vide General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 and SEBI vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023 has allowed the Companies to conduct AGMs through Video Conference (VC) and Other Audio Visual Means (OAVM). Accordingly, the 66<sup>th</sup> AGM of the Company is being conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) facility, which does not require physical attendance of the Shareholders at a common venue.
4. The meeting shall be deemed to be conducted at the Registered Office of the Company and as the AGM is held through virtual mode, the Attendance Slip and venue map is not required to be annexed to this Notice.
5. Pursuant to the Circular No.14/2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Shareholders is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Corporate Shareholders intending to authorize their representatives to participate and vote at the meeting are requested to email certified copy of the Board resolution/authorization letter to the Company at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com)
6. 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 and Disclosure Requirements) Regulations, 2015 (as amended), the Ministry of Corporate Affairs (MCA) vide General Circular No.09/2023 dated 25<sup>th</sup> September, 2023 and SEBI vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023 has allowed the companies to conduct their AGMs on or before 30<sup>th</sup> September, 2024 through audio visual means and in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No.20/2020 dated 5<sup>th</sup> May, 2020 and Securities and Exchange Board of India's (SEBI) circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13<sup>th</sup> May, 2022, the Company is providing facility of remote e-voting, as well as e-voting during the AGM, to its Shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue for voting on the date of the AGM will be provided by NSDL.
7. The attendance of the Shareholders attending the AGM through VC /OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
8. The Shareholders who have exercised their right to vote by remote e-voting may attend the AGM through VC/OAVM but cannot vote during the AGM.
9. Facility of joining the AGM through VC or OAVM shall be open for 30 minutes before the time scheduled for the AGM and will be available for Shareholders on first come first serve basis. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Shareholders on first come first served basis.

The large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Grievances Committee, Auditors etc. are allowed to attend the AGM without restriction on account of first come first served basis.

10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 09/2023 dated 30<sup>th</sup> September, 2023, the Notice calling the AGM and Annual Report for the year 2023-24 is being sent to only those Shareholders who have registered their email address with the Company and depositories and the Notice and the Annual Report is also uploaded on the website of the Company at <https://scl.mehtagroup.com/investors/agm-notice> and <https://scl.mehtagroup.com/investors/financials/annual-reports>. The Notice and the Annual Report for the year 2023-24 can also be accessed at the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and at the website of National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 10.00 a.m. to 12.00 noon on any working day till the date of the ensuing AGM. For any communication, the Shareholders may also send requests to the Company's investor email id: [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com)
11. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with General Circular No.09/2023 dated 25<sup>th</sup> September, 2023 and in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No.20/2020 dated 5<sup>th</sup> May, 2020 issued by the Ministry of Corporate Affairs.
12. The Share Transfer Books and Register of Shareholders of the Company shall remain closed from **Thursday, 15<sup>th</sup> August, 2024 to Wednesday, 21<sup>st</sup> August, 2024** (both days inclusive) in connection with the Annual General Meeting. The voting rights of Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company held by them as on the cut-off date i.e. **Wednesday, 14<sup>th</sup> August, 2024**.
13. Shareholders are requested to notify immediately any change of address:
  - i. To their Depository Participants (DPs) in respect of their electronic share accounts; and
  - ii. To the Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083 in respect of their physical share folios, if any.
14. The Securities and Exchange Board of India ("SEBI") has mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, email address, mobile number, bank account details) and nomination details by holders of securities in prescribed forms. Effective from 1<sup>st</sup> January, 2022, any service requests or complaints received from the member, are being processed by RTA on receipt of aforesaid details/ documents. On or after 1<sup>st</sup> April, 2023, in case any of the above cited documents/ details are not available in the Folio(s), in terms of SEBI circulars, RTA shall be constrained to freeze such Folio(s).
15. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Shareholders can nominate a person in respect of all the shares held by him singly or jointly. Shareholders holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Shareholders holding shares in electronic form may approach their respective DPs for completing the nomination formalities.
16. **SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, Shareholders are advised to dematerialize shares held by them in physical form.**
17. Shareholders may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/65 dated 18<sup>th</sup> May, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be.



18. Shareholders holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

19. The Board of Directors has recommended Final Dividend of ₹ 1/- (Rupee One Only) per equity share of ₹ 10/- each for the Financial Year ended 31<sup>st</sup> March, 2024 that is proposed to be paid for the Financial Year ended 31<sup>st</sup> March, 2024, subject to the approval of the Shareholders at the 66<sup>th</sup> AGM of the Company. The record date for determining the entitlement of the Shareholders to the final dividend for 2023-24 is **Wednesday, 14<sup>th</sup> August, 2024**.

For information of the Shareholders, during the Financial Year 2023-24, one Interim Dividend of ₹ 1/- per equity share for the period ended 31<sup>st</sup> December 2023 was paid on 2<sup>nd</sup> March, 2024.

20. Pursuant to the relevant provisions of the Income Tax Act, 1961 ("the IT Act"), dividend income is taxable in the hands of the Shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the Shareholders at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, Shareholders are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com).

21. Dividend, if any, approved by the Shareholders or recommended by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participant(s).

22. Shareholders holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other electronic means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account, by sending scanned copy of the following details/ documents to the Company at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com) latest by 9<sup>th</sup> August, 2024:

- a) a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - i) Name and Branch of Bank and Bank Account type;
  - ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions; and
  - iii) 11-digit IFSC Code;
- b) self-attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
- c) self-attested scanned copy of the PAN Card; and
- d) self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the member, as registered with the Company.

For the Shareholders holding shares in demat mode, please update your Electronic Bank Mandate through your Depository Participant(s).

23. In the event the Company is unable to pay the dividend to any member directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate or other reasons whatsoever, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such member, as soon as possible.

24. Non-resident Indian Shareholders are requested to inform the Registrar immediately of the change in their residential status, if any.

25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), Bank details and other KYC details by every participant in the securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

26. Mr. Sachin Ahuja, Chartered Accountant (Membership No.109019) and Proprietor of M/s. Sachin Ahuja & Associates, Chartered Accountants (Membership No.133448W) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer after scrutinizing the votes cast during the AGM and through remote e-voting will prepare a consolidated scrutinizer's report, not later than 48 hours of the conclusion of AGM and submit the same to the Chairman.

27. The results of the voting declared at the AGM along with the scrutinizer's report shall be placed on the Company's website <https://scl.mehtagroup.com/investors/e-voting-reports> on the Stock Exchanges website at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

28. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **14<sup>th</sup> August, 2024** may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022-48867000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **14<sup>th</sup> August, 2024** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

29. **INSTRUCTIONS FOR THE SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCE (VC)/ OTHER AUDIO VISUAL MEANS (OAVM):**

- a) Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholders may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, Shareholders can see link of "VC/OAVM link" placed under "Join Meeting" menu against company name. Shareholders are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b) Shareholders are encouraged to join the Meeting through Laptops for better experience.
- c) Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- e) Shareholders are requested to submit their questions if any, in advance with regard to the financial statements or any other matter to be placed at the AGM from their registered email address, mentioning their name, DP ID/ Client ID/Folio Number, mobile number to reach the Company's email address at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com) latest by **20<sup>th</sup> August, 2024** before 3.00 p.m. (IST). The same will be replied by the Company suitably.
  - f) Shareholders as on the cut-off date who would like to express their views/ask questions as a speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio Number, PAN and mobile number at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com) between **Wednesday, 14<sup>th</sup> August, 2024 (9.00 a.m. IST) and Tuesday, 20<sup>th</sup> August, 2024 (5.00 p.m. IST)**. Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.  
  
Further, those Shareholders who have not registered themselves as a speaker, but desirous of expressing their views/ask questions during the AGM, may be allowed to do so, through the chat box option. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
  - g) Shareholders who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) or 022-48867000 or contact Mr. Amit Vishal, Deputy Vice President on [evoting@nsdl.com](mailto:evoting@nsdl.com) or 022-48867000.
30. Only those Shareholders who have not casted their vote through the remote e- voting (prior to the AGM) as per below are entitled to vote at the AGM.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

NSDL Mobile App is available on



**INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING BEFORE /DURING THE EQUITY SHAREHOLDERS MEETING ARE AS UNDER:**

**The remote e-voting period begins on Sunday, 18<sup>th</sup> August, 2024 at 9.00 A.M. (IST) and ends on Tuesday, 20<sup>th</sup> August, 2024 at 5.00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Shareholders, whose names appear in the Register of Members / Beneficial Owners as on Wednesday, 14<sup>th</sup> August, 2024 (Cut-off date) may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 14<sup>th</sup> August, 2024.**

**How do I vote electronically using the NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>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 or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also will be able to directly access the system of all e-Voting Service Providers</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	User can also login using the login credentials of demat account through Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, User will be able to see e-Voting option. Click on e-Voting option, User will be redirected to NSDL/CDSL Depository site after successful authentication, wherein User can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL/CDSL and User will be redirected to e-Voting website of NSDL/CDSL for casting User vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022-4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**B) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for Shareholders other than Individual Shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

- c. Alternatively, Shareholders/Members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password by providing above mentioned documents.
- d. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### D) GENERAL GUIDELINES FOR SHAREHOLDERS:

- a. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sachinca.associates@gmail.com](mailto:sachinca.associates@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
- b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 or send a request to Mr.Amit Vishal, Deputy Vice President at [evoting@nsdl.com](mailto:evoting@nsdl.com)
- d. Any further queries can be addressed to Ms. Janavi Vaghasiya (Dy. Manager – Secretarial) at [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com)

#### E) DECLARATION OF RESULTS ON THE RESOLUTION:

- i. The Scrutinizer shall, immediately after and not later than 48 (forty eight) hours from conclusion of the meeting, make a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution and invalid votes, if any, to the Chairman of the meeting or a person authorized by him in writing who shall countersign the same.
- ii. The result of the voting shall be announced by the Chairman of the meeting or a person authorized by him in writing on or before **Friday, 23<sup>rd</sup> August, 2024** upon receipt of the Scrutinizer's Report. The results announced, along with the Scrutinizer's Report, shall be placed on the Company's website viz. <https://scl.mehtagroup.com/investors/e-voting-reports> and on the website of NSDL viz. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after declaration.

#### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

##### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### C) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com)
- b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.**



The results shall also be immediately forwarded to the stock exchange where the Company's equity shares are listed i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and shall also be displayed on the Notice Board at the Registered office of the Company.

- iii. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the meeting i.e. on **Wednesday, 21<sup>st</sup> August, 2024.**

**Equity Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-Voting or voting at the Meeting.**

Any further queries can be addressed to Mr. Satyan Desai (Associate-Client Relations), Link Intime India Pvt. Ltd (Unit: Saurashtra Cement Limited), C- 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, E-mail ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

**By the Order of the Board of the Directors**

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy

Place : Mumbai  
Dated : 28<sup>th</sup> May, 2024  
Registered Office:  
Near Railway Station  
Ranavav-360550  
Dist: Porbandar, Gujarat

#### **EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")**

##### **Items No. 4**

The Board has on the recommendation of the Audit Committee, approved the appointment of M/s. M. Goyal & Co, Cost Accountants as Cost Auditor of the Company at a remuneration of ₹ 1,25,000/- plus applicable tax and reimbursement of travelling and out of pocket expenses incurred to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2025.

In accordance with Section 148 of the Companies Act, 2013, the remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors needs to be approved by the Shareholders of the Company.

Accordingly, the consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for appointment and remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2025.

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Accordingly, the Board recommends the resolution as set out in Item No.4 of the Notice for approval of the Shareholders.

##### **Item No. 5**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Viren Ajitkumar Merchant (DIN:00033464) as an Additional Director of the Company (categorized as Non- Executive, Independent Director) effective from 28<sup>th</sup> May, 2024. Mr. Viren Ajitkumar Merchant also submitted a declaration of independence as required under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Mr. Viren Ajitkumar Merchant, aged 59 years, completed his schooling at The Scholar High School in Mumbai and later pursued higher education at Kent State University in Kent, Ohio. Mr. Merchant after completing his studies, joined his family business and embarked on a remarkable entrepreneurial journey. Presently, Mr. Merchant is the CEO and Vice-Chairman of Encore Healthcare Private Limited, a global contract manufacturer in the pharma industry. He is also Director of ADF Foods Limited, Encore Business Centre Private Limited, Yuga Finvest Private Limited, Delphinium Realtors Private Limited, Encore Healthcare International Private Limited and ADF Foods (India) Limited.

Mr. Viren Ajitkumar Merchant is not disqualified from being appointed as Director in terms of Section 164 and has given his consent to act as Director.

The Board of Directors have effectively evaluated the performance candidature of Mr. Viren Ajitkumar Merchant as per the requirement of the Companies Act, 2013 and confirmed that he has also fulfilled the independence criteria as specified under the SEBI (LODR) Regulations, 2015 and the Board has recommended his appointed as an Independent Director of the Company.

The Board of Directors based on the recommendation of Nomination and Remuneration Committee considers, given the professional background and relevant expertise and experience of Mr. Viren Ajitkumar Merchant, his appointment as Independent Director would be beneficial to the Company. The Board hereby confirm that as per the requirements of the Companies Act, 2013 and independence criteria as specified under Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is fulfilled. Accordingly the Board hereby recommends the appointment of Mr. Viren Ajitkumar Merchant as an Independent Director.

It is proposed to appoint Mr. Viren Ajitkumar Merchant as an Independent Director under Section 149 of the Act for a period of 5 (five) years computed effective from 28<sup>th</sup> May, 2024 to 27<sup>th</sup> May, 2029 and his appointment is placed before the Shareholders for their approval.

Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Director seeking appointment at the Annual General Meeting is attached hereto as **Annexure A.**

Except Mr. Viren Ajitkumar Merchant, none of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the item no. 5 for the approval of the Shareholders.

#### Item No. 6

Presently, sub-clause (vi) of Article 176A of Articles of Association ("AOA") reads as under:-

"If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus."

The above clause enables retention of title of Chairman Emeritus by any newly appointed Director but not vice-versa. Accordingly, alteration is required to be made by addition of new sub-clause (vii) after the existing sub-clause (vi) in Article 176 A of the Articles of Association, as set out in the resolution no. 6, is proposed to be added after the existing sub-clause (vi) in Article No. 176 under Clause XXV of the Articles of Association of the Company.

In view of the above, amendment is required in the Articles of Association of the company. Accordingly, the Board recommends passing of the Special Resolution as set out in the item no.6 for the approval of the Shareholders.

Mr. Mahendra N. Mehta is concerned / interested, financially or otherwise, in the resolution as set out in the item no.6 of the Notice. Mr. Jay Mehta being son of Mr. Mahendra N. Mehta, is also deemed to be interested in the resolution as set out in the item no.6 of the Notice.

#### Item No. 7

In order to pave way for the future leadership, Mr. Mahendra N. Mehta (DIN: 00632865) has expressed unwillingness to act as Chairman of the Company with effect from the forthcoming 66<sup>th</sup> Annual General Meeting of the Company. In view of the long association of over 4 decades as Director of the Company and the exemplary leadership being provided by Mr. Mahendra Mehta, the Board of Directors on the recommendations of the Nomination & Remuneration Committee had appointed Mr. Mahendra N. Mehta as the "Chairman Emeritus" with effect from 21<sup>st</sup> August, 2024 & subject to the amendment in the Articles of Association of the Company. Further, the Board of Directors on the recommendation of the Nomination & Remuneration Committee had considered, approved & recommended to the shareholders for continuation of Mr. Mahendra N. Mehta as Non-Executive, Non-Independent Director - liable to retire by rotation from the ensuing Annual General Meeting.

In view of the above and subject to the necessary amendments in the Article of Association of the company, approval of shareholder's is required for continuation of Mr. Mahendra N. Mehta as Non-Executive, Non-Independent Director - liable to retire by rotation with effect from 21<sup>st</sup> August, 2024.

In view of the above and subject to the necessary amendments in the Article of Association of the Company, approval of Shareholders is required for continuation of Mr. Mahendra N. Mehta as Non-Executive, Non-Independent Director - liable to retire by rotation with effect from 21<sup>st</sup> August, 2024.

Further, Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Director seeking appointment (Continuation as Non-Executive, Non-Independent Director) at the Annual General Meeting is attached hereto as **Annexure A**.

Mr. Mahendra N. Mehta is concerned / interested, financially or otherwise, in the resolution as set out in the item no.7 of the Notice. Mr. Jay Mehta being son of Mr. Mahendra N. Mehta, is also deemed to be interested in the resolution as set out in the item no.7 of the Notice.

In view of the above, amendment is required in the Articles of Association of the company. Accordingly, the Board recommends passing of the Special Resolution as set out in the item no. 7 for the approval of the Shareholders.

#### Item No. 8

Since Mr. Mahendra N. Mehta would step down as the "Chairman" of the Company, the Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on 28<sup>th</sup> May, 2024 proposed to consider change in designation of Mr. Jay Mehta (DIN: 00152072) from Executive Vice Chairman to Executive Chairman and recommended to the Shareholders for their approval. The tenure of Mr. Jay Mehta in the current term shall come to an end on 31<sup>st</sup> December, 2026. Accordingly, Board recommends passing of Special Resolution for change in designation of Mr. Jay Mehta from Executive Vice Chairman to Executive Chairman from 21<sup>st</sup> August, 2024 and he shall hold office in the capacity of Executive Chairman upto 31<sup>st</sup> December, 2026.

Further, all other Terms & Conditions including term, remuneration, payment of commission, perquisites, benefits etc. and the tenure of Mr. Jay Mehta pursuant to change in his designation to Executive Chairman continues to remain the same as was approved by the Shareholders at the 65<sup>th</sup> Annual General Meeting of the Company held on 17<sup>th</sup> August, 2023.

Mr. Jay Mehta is concerned / interested, financially or otherwise, in the resolution as set out in the item no.8 of the Notice. Mr. Mahendra N. Mehta being father of Mr. Jay Mehta, is also deemed to be interested in the resolution as set out in the item no.8 of the Notice.

Further, Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Director seeking re-appointment at the Annual General Meeting is attached hereto as **Annexure A**.

Save and except them, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.8 of the Notice. Accordingly, the Board recommends passing of the Special Resolution as set out in the item no.8 for the approval of the Shareholders.

**Annexure A**

Details of Directors seeking change in designation and other details as required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be appointed/ re-appointed at the ensuing Annual General Meeting (AGM) and their Brief Resume have been provided under the Explanatory Statement annexed to this Notice. The other Information/Disclosure in compliance with the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India have been provided herein below:

Name of Director	Mr. Hemang D. Mehta	Mr. Viren Ajitkumar Merchant	Mr. Mahendra N. Mehta	Mr. Jay Mehta
<b>DIN</b>	00146580	00033464	00632865	00152072
<b>Item No</b>	3	5	7	8
<b>Date of Birth</b>	6 <sup>th</sup> March, 1955	15 <sup>th</sup> October, 1965	20 <sup>th</sup> March, 1932	18 <sup>th</sup> January, 1961
<b>Date of first Appointment</b>	Initially joined the Board on 16 <sup>th</sup> April, 1993 and was reappointed last on 26 <sup>th</sup> July 2022	28 <sup>th</sup> May 2024	Initially, he joined the Board of the Company in October 1974 and was reappointed as a Chairman on 15 <sup>th</sup> October, 2004	Initially, he joined the Board in December 1987 and was re-appointed in the current term with effect from 1 <sup>st</sup> January, 2024
<b>Qualification</b>	Graduated from the University of Manchester Institute of Science and Technology Science and Technology Manchester Business School	Pursued Higher Education at Kent State University in Kent, Ohio.	Industrialist	Graduated in Industrial Engineering from Columbia University in 1983 and has completed MBA from The International Institute of Management Development (IMD) in Lausanne, Switzerland.
<b>Expertise in specific General Functional area</b>	Expertise in Corporate and Operational Management in the cement industry and in plastics and packaging Industry. He has worked in India, Kenya, Canada and U.S.A.	Mr. Viren Ajitkumar Merchant, has an experience over 17 years and has an expertise in Business Management. He is the Vice-Chairman & C. E. O. of Encore Healthcare Pvt. Ltd., a leading manufacturer of tablets, capsules and syrups.	He completed his schooling in India and then joined the family business at the age of 19 years in East Africa. He has over six decades of entrepreneurial experience. He is the motivating force behind the Group.	Has about 3 decades of experience in overall management of the Company.

Name of Director	Mr. Hemang D. Mehta	Mr. Viren Ajitkumar Merchant	Mr. Mahendra N. Mehta	Mr. Jay Mehta
<b>Terms and conditions of appointment or re-appointment</b>	Nil	The details are provided in the resolution and explanatory statement of item No.5 of the Notice.	The details are provided in the resolution and explanatory statement of item No.7 of the Notice.	The details are provided in the resolution and explanatory statement of item No.8 of the Notice.
<b>Details of remuneration last drawn (FY 2023-24)</b>	Details of sitting fees paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.	Nil	Details of sitting fees paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.	Details of remuneration paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.
<b>List of outside Directorships held in Listing Entities</b>	Nil	ADF Foods Limited	Nil	ADF Foods Limited.
<b>Chairman / Member of the Committee of the Board of Directors of the Company</b>	Nil	Nil	Nil	Chairman of CSR Committee and Member of Stakeholders Relationships & Grievances Committee and also of Finance Committee
<b>Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a Director</b>				
<b>a) Audit committee</b>	Nil	Member	Nil	Nil
<b>b) Shareholders Relationship Committee</b>	Nil	Chairman	Nil	Nil
<b>Relation with other Directors &amp; Key Managerial Personnel (KMP) of the Company</b>	Nil	Nil	Mr. Mahendra N. Mehta is the father of Mr. Jay Mehta.	Mr. Jay Mahendra Mehta is the son of Mr. Mahendra N. Mehta
<b>Shares held by the Directors in the Company</b>	95,584	Nil	Nil	43,730

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# **66<sup>th</sup> Annual Report 2023-24**

**Saurashtra Cement Limited**

# Snowcem P A I N T S

EXCELLENCE  
IN  
EVERY  
STROKE!

THE  
PRIME  
CHOICE  
FOR A  
PERFECT  
FINISH!

EVERY  
WALL  
DESERVES TO  
BE FABULOUS!



Exterior Power Paints

Interior Emulsion Paints

Waterproof Cement Paints



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## GENERAL INFORMATION

### BOARD OF DIRECTORS

**Mr. M. N. Mehta**  
Chairman

**Mr. Jay M. Mehta**  
Executive Vice Chairman

**Mr. Hemang D. Mehta**  
Non-Executive Director

**Mr. Hemnabh Khatau**  
Non-Executive Director

**Mr. M. N. Rao**  
Non-Executive, Independent Director  
(Ceased to be the Independent Director w.e.f. 1<sup>st</sup> April, 2024)

**Mr. B. P. Deshmukh**  
Non-Executive, Independent Director  
(Ceased to be the Independent Director w.e.f. 1<sup>st</sup> April, 2024)

**Mr. K. N. Bhandari**  
Non-Executive, Independent Director  
(Ceased to be the Independent Director w.e.f. 1<sup>st</sup> April, 2024)

**Mr. Bimal Thakkar**  
Non-Executive, Independent Director  
(Ceased to be the Independent Director w.e.f. 1<sup>st</sup> April, 2024)

**Mrs. Bhagyam Ramani**  
Non-Executive, Independent Director

**Mr. Ashwani Kumar**  
Non-Executive, Independent Director

**Mr. M. N. Sarma**  
Non-Executive, Independent Director  
(Appointed as Independent Director w.e.f. 25<sup>th</sup> May, 2023)

**Mr. Aman Khanna**  
Non-Executive, Independent Director  
(Appointed as Independent Director w.e.f. 30<sup>th</sup> June, 2023)

**Mrs. Radhika Samarjitsinh Gaekwad**  
Non-Executive, Independent Director  
(Appointed as Independent Director w.e.f. 30<sup>th</sup> June, 2023)

**Mr. Viren Ajitkumar Merchant**  
Non-Executive, Independent Director  
(Appointed as Independent Director w.e.f. 28<sup>th</sup> May, 2024)

**Mr. M. S. Gilotra**  
Managing Director

**Chief Financial Officer**  
Mr. V. R. Mohnot

**Chief Legal Officer, CS & Strategy**  
Ms. Sonali Sanas

**Auditors**  
M/s. Manubhai & Shah LLP Chartered Accountants

**Bankers**  
HDFC Bank Ltd.

**Registered Office**  
Near Railway Station, Ranavav 360550 (Gujarat)  
Tel.: 02801 - 234200  
Fax: 02801 - 234376  
CIN: L26941GJ1956PLC000840

**Registrars & Transfer Agent**  
M/s. Link Intime India Pvt Ltd  
(Unit: Saurashtra Cement Limited)  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083  
Tel.: 022- 49186000  
Fax : 022-49186060

**Corporate Office**  
N. K. Mehta International House, 2<sup>nd</sup> Floor,  
178, Backbay Reclamation, Mumbai 400020.  
Tel.: 022- 66365444, Fax : 022-66365445

**Website**  
<https://www.hathi-sidheecements.com/>  
[www.snowcempaints.com](http://www.snowcempaints.com)

## BOARD'S REPORT

### TO THE MEMBERS,

The Directors are pleased to present the 66<sup>th</sup> Annual Report of Saurashtra Cement Limited ("Company") along with the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024.

### FINANCIAL PERFORMANCE 2023-2024

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	1,76,515.55	1,64,529.41	1,76,515.55	1,64,529.41
Other Income	3,616.24	1,308.19	3,552.47	1,308.55
<b>Total Income</b>	<b>1,80,131.79</b>	1,65,837.60	<b>1,80,068.02</b>	1,65,837.96
Operating Expenses	1,63,545.40	1,63,956.98	1,63,529.78	1,63,934.33
<b>Profit before Interest, Depreciation, Exceptional items and Tax</b>	<b>16,586.39</b>	1,880.62	<b>16,538.24</b>	1,903.63
Finance Cost	809.18	929.07	809.18	929.07
<b>Profit before Depreciation, Exceptional Items and Tax</b>	<b>15,777.21</b>	951.55	<b>15,729.06</b>	974.56
Depreciation and Amortization	4,708.58	3,886.92	4,708.58	3,886.92
Exceptional Items	(2,035.30)	0.00	(2,035.30)	0.00
<b>Profit/(Loss) before Tax</b>	<b>9,033.33</b>	(2,935.37)	<b>8,985.18</b>	(2,912.36)
Current Tax Expense	2,963.08	0.00	2,967.30	5.79
Deferred Tax Adjustment	358.34	(718.83)	358.34	(718.83)
<b>Profit/(Loss) for the year</b>	<b>5,711.91</b>	(2,216.54)	<b>5,659.54</b>	(2,199.32)
Total Other Comprehensive Income (net of tax)	(17.96)	(26.83)	(17.96)	(26.83)
<b>Total Comprehensive Income</b>	<b>5,693.95</b>	(2,243.37)	<b>5,641.58</b>	(2,226.15)
Retained Earnings – Opening Balance	53,506.84	56,783.80	53,559.21	56,818.95
Add/(Less)				
<b>Profit/(Loss) for the year</b>	<b>5,711.91</b>	(2,216.54)	<b>5,659.54</b>	(2,199.32)
Re-measurement of Defined Benefit Plan (Net of Tax)	(17.94)	(25.29)	(17.94)	(25.29)
Transfer from Equity Instruments through OCI on Investments write off	0.00	(1,035.13)	0.00	(1,035.13)
Less : Equity Dividend	(1,109.26)	0.00	(1,109.26)	0.00
<b>Retained Earnings – Closing Balance</b>	<b>58,091.55</b>	53,506.84	<b>58,091.55</b>	53,559.21

### FINANCIAL PERFORMANCE

The Company's total Income including Revenue from Operation and Other Income for the Financial Year ended 31<sup>st</sup> March, 2024 was ₹ 1,80,131.79 lakhs as against ₹ 1,65,837.60 lakhs in the previous Financial Year representing an increase of 8.62% as compared to the previous year.

## BOARD'S REPORT

Earnings before Interest, Taxes, Depreciation and Amortization (EBIDTA) for the Financial Year ended 31<sup>st</sup> March, 2024 was ₹ 12,970.15 lakhs as against ₹ 572.43 lakhs in the previous Financial Year. Net Profit after tax for the Financial Year ended 31<sup>st</sup> March, 2024 was ₹ 5,711.91 lakhs as against Net Loss after tax of ₹ 2,216.54 lakhs in the previous year.

The increase in profitability as compared to the previous year can be attributed mainly to the following factors:

- Sales Revenue was higher by 7% as compared to the previous year.
- 9% increase in the Total Income as compared to the previous year.
- Easing in the international costs of fuel (coal and pet coke) .
- Freight cost in Gujarat was lower by 7% as compared to the previous year.
- Finance Cost was lower by 13% as compared to the previous year. This was so as during the Financial Year 2023-24, the Company has partly repaid the borrowings availed from Banks.

### PERFORMANCE OF CEMENT BUSINESS

- The Revenue from Operations in the Cement Business during the Financial Year 2023-24 was ₹ 1,72,615.02 lakhs as compared to ₹ 1,62,065.16 lakhs in the previous Year, an increase of 6.51%.
- Blended Cement Sales growth was higher than overall sales growth due to consistent push and production generating pull leading to consistent growth.
- Clinker Production was 9% higher than the previous year due to better throughput at both plants of the Company.
- Cement Production was higher by 8% compared to the previous year.

### Launch of New Products in Cement

The Company has launched "Hathi Prime" – a superior PPC product and "Hathi Putty" during the Financial Year 2023-24.

### PERFORMANCE OF PAINT BUSINESS

During the year under review, the Revenue from Operations in the Paint Business was ₹ 3,900.53 lakhs as compared to ₹ 2,464.25 lakhs of the previous year representing an increase of 58.28%.

Your Company has undertaken several initiatives for Sales Promotion like: launch of new products and advertisement campaigns to achieve sustainable growth.

### Launch of new products in paints

During the year under review, certain new products in Paint Division were introduced in the Economy Emulsion Category namely "OutWeather (Exterior)", "SnowCoat (Interior)", "PermaCem" as economy grade in cement paints, "Colorator Universal Stainer" in the Colour category and "Damp Proof" in the water proofing segment.

### DIVIDEND AND RESERVES

During the Financial Year 2023-24, the Board of Directors at its Meeting held on 12<sup>th</sup> February, 2024, declared Interim Dividend of ₹ 1 (Rupee one only) per share on 11,09,26,070 equity shares of ₹ 10/- each fully paid up for the Financial Year 2023-24.

Your Directors at its meeting held on 28<sup>th</sup> May 2024 have recommended final dividend of ₹ 1/- (Rupee One only) per share on the Equity Share Capital comprising of 11,09,82,543 equity shares of ₹ 10/- each fully paid up for the Financial Year 2023-24, subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM).

The Board Of Directors of the Company in line with the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) had approved and adopted the Dividend Distribution Policy. The policy is uploaded on the Company's website and can be accessed at <https://scl.mehtagroup.com/dividend-distribution-policy>

## BOARD'S REPORT

### AMOUNT TRANSFERRED TO RESERVES

The Company has not transferred any amount to the Reserves for the year ended March 31, 2024.

### CAPITAL STRUCTURE OF YOUR COMPANY

#### AUTHORISED CAPITAL

Your Company's Authorized Capital as on 31<sup>st</sup> March, 2024 stand at ₹ 77,270 lakhs divided into 77,27,00,000 Equity shares of ₹ 10/- each (Rupees Ten only) fully paid up.

#### PAID UP CAPITAL

The Paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2023 was ₹ 7,037.82 lakhs divided into 7,03,78,169 Equity Shares of ₹ 10/- each fully paid up (which was also including 1,36,58,267 Equity Shares of ₹ 10 each held by erstwhile Gujarat Sidhee Cement Limited(GSCL) in the company and which was cancelled pursuant to the amalgamation of GSCL with the company).

During the year under review, the Paid-up Equity Share Capital of the Company had increased to ₹ 11,098.25 lakhs divided into 11,09,82,543 Equity Shares of ₹ 10/- each fully paid up in view the following :-

1. Allotment of 5,40,09,641 new Equity Shares of ₹ 10/- each fully paid up to the shareholders of erstwhile Gujarat Sidhee Cement Limited pursuant to the Amalgamation of erstwhile Gujarat Sidhee Cement Limited with the Company.
2. Allotment of 2,53,000 equity shares of ₹ 10/- each fully paid up allotted to the Eligible Employees under Saurashtra Employee Stock Option Scheme 2017 ("ESOS 2017").
3. No shares were allotted to erstwhile Gujarat Sidhee Cement Limited as it was the Transferor Company.

The Company's Equity Shares were listed with National Stock Exchange of India Ltd and the equity shares were made available for trading effective from 27<sup>th</sup> February, 2024.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal control systems that are commensurate with the nature, size and complexity of its business. Policies and procedures related to internal control systems are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. Clearly defined roles and responsibilities have been institutionalized and systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is presented in a separate section, forming part of the Annual Report is enclosed as **Annexure A**.

### CORPORATE GOVERNANCE REPORT

The Board of Directors reaffirms their continued commitment to good corporate governance practices. During the year under review, your Company complied with the provisions relating to the Corporate Governance as provided under the SEBI Listing Regulations. The compliance report together with a certificate from your Company's Secretarial Auditors confirming the compliance is provided in the Report on Corporate Governance, which forms part of this Annual Report is enclosed as **Annexure B**.



## BOARD'S REPORT

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### DIRECTORATE

#### a. APPOINTMENT/ RE-APPOINTMENT

##### i. APPOINTMENT OF INDEPENDENT DIRECTOR

The Shareholders at its meeting held on 17<sup>th</sup> August, 2023 appointed:-

- Mr. M. N. Sarma (DIN: 06734357) as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from 25<sup>th</sup> May, 2023 to 24<sup>th</sup> May, 2028.
- Mrs. Radhika Samarjitsinh Gaekwad (DIN: 05129326) as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from 30<sup>th</sup> June, 2023 to 29<sup>th</sup> June, 2028.
- Mr. Aman Khanna (DIN: 10211441) as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from 30<sup>th</sup> June, 2023 to 29<sup>th</sup> June, 2028.

##### ii. APPOINTMENT OF NEW INDEPENDENT DIRECTOR

- Mr. Viren Ajitkumar Merchant (DIN: 00033464) was appointed as an Additional Director, Non-Executive, Independent Director by the Board of Directors at its meeting held on 28<sup>th</sup> May, 2024 for a period of 5 years subject to the approval of the Shareholders at the ensuing Annual General Meeting.

##### iii. RE-APPOINTMENT

The Shareholders at its meeting held on 17<sup>th</sup> August, 2023 had re-appointed:-

- Mr. Jay Mehta (DIN: 00152072) as the Executive Vice Chairman of the Company for a further period of 3 (three) years from 1<sup>st</sup> January, 2024 upto 31<sup>st</sup> December, 2026.
- Mr. M. S. Gilotra (DIN: 00152190) as the Managing Director of the Company for a further period of 3 (three) years from 1<sup>st</sup> January, 2024 till 31<sup>st</sup> December, 2026.
- Mr. Ashwani Kumar as Non-Executive, Independent Director for another term of five (5) consecutive years with effect from 13<sup>th</sup> February, 2024 to 12<sup>th</sup> February, 2029.

- iv. At the ensuing Annual General Meeting, it is proposed to consider appointment of Mr. Jay Mehta as Executive Chairman as Mr. Mahendra N. Mehta, has been appointed as the Chairman Emeritus effective from 21<sup>st</sup> August, 2024.

#### b. RETIRING BY ROTATION AND CONTINUING AS DIRECTOR

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Hemang D. Mehta (DIN: 00146580) retires by rotation, and being eligible, offers himself for re-appointment.

Brief resume of the Directors seeking appointment/re-appointment along with other details as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in **Annexure C**.

The Board recommends the re-appointment.

#### c. CESSATION OF INDEPENDENT DIRECTORS

In accordance with Section 149 of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the tenure of the following Independent Directors have come to an end effective from the 1<sup>st</sup> of April 2024:

## BOARD'S REPORT

Sr. No.	Name of the Director	Director Identification No.	Date on which Director ceased to be an Independent Director
1.	Mr. M. N. Rao	00027131	01/04/2024
2.	Mr. K. N. Bhandari	00026078	01/04/2024
3.	Mr. B. P. Deshmukh	00002357	01/04/2024
4.	Mr. Bimal Ramesh Thakkar	00087404	01/04/2024

#### INDEPENDENT DIRECTORS

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of Technical, Legal, Industry, Finance, Strategy and Marketing; and they hold highest standards of integrity.

#### INDEPENDENT DIRECTORS' MEETING

In the year 2024, one meeting of the Independent Directors was held on May 23, 2024. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to acquaint the new directors with the Company, a detailed presentation is given to them at the time of their appointment which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organizational structure, products, etc. The Company's management makes various legal and regulatory presentations periodically at the Board Meetings to familiarize the directors.

The details of the familiarization program imparted to the Independent Directors is disclosed on the Company's website link: - <https://scl.mehtagroup.com/investors/announcements>

#### DISCLOSURE PERTAINING TO DISQUALIFICATION OF DIRECTORS

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; a certificate has been received from M/s Ragini Chokshi & Co, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been disqualified to act as Director of the Company which is enclosed as **Annexure D**.

#### KEY MANAGERIAL PERSONNEL

There has been no change in the Key Managerial Personnel during the year under review.

#### BOARD EFFECTIVENESS

##### a. FORMAL ANNUAL EVALUATION

In accordance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have put in place a mechanism for evaluation of its own performance, Committees, Independent Directors and Executive Directors. The evaluation process considers attendance of Directors at the Board and Committee meetings, participation at the meetings, domain knowledge in the Board Meeting, awareness and observation of Governance etc. Accordingly, evaluation sheet gets circulated to the Board and the Board carries out annual performance evaluation. The responses being received are evaluated by the Independent Directors, Nomination and Remuneration Committee and the Board.

## BOARD'S REPORT

### b. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND REMUNERATION POLICY

The Company's Directors are appointed/re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee ("NRC Committee") and approval of the Shareholders. In accordance with the Articles of Association of your Company, provisions of the Act, and the Listing Regulations, all Directors, except the Executive Directors and Independent Directors, are liable to retire by rotation and, if eligible, offer themselves for re-appointment.

The Independent Directors can serve a maximum of two terms of five years each, and their appointment and tenure are governed by provisions of the Act and SEBI Listing Regulations.

The NRC Committee has formulated the remuneration policy of your Company, which is available at the following links: <https://scl.mehtagroup.com/policy/nomination-and-remuneration-charter> and <https://scl.mehtagroup.com/policy/compensation-policy>

### c. MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board of Directors of your Company met 6 times during the year to deliberate on various matters. The meetings were held on 25<sup>th</sup> May, 2023, 30<sup>th</sup> June, 2023, 7<sup>th</sup> August, 2023, 8<sup>th</sup> November, 2023, 12<sup>th</sup> February, 2024 and 26<sup>th</sup> March, 2024.

The Company has following Board-level Committees, established in compliance with the requirements of the relevant provisions of applicable laws, regulations and statutes:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship and Grievances Committee
- Corporate Social Responsibility Committee
- Allotment Committee
- Finance Committee

The intervening gap between two consequential mandatory committee meetings was not exceeding the period prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

In accordance with Section 149 of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1<sup>st</sup> April, 2024, certain committees were reconstituted due to completion of the tenure of Independent Directors namely Mr. M. N. Rao, Mr. K. N. Bhandari, Mr. B. P. Deshmukh and Mr. Bimal Ramesh Thakkar with effect from 1<sup>st</sup> April, 2024. The tenure of Mrs. Bhagyam Ramani will come to an end from 4<sup>th</sup> August, 2024. The details of the reconstituted committees are provided in the Corporate Governance Report enclosed as **Annexure B**.

### d. COMPLIANCE WITH THE SECRETARIAL STANDARDS

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

### PARTICULARS OF EMPLOYEES

Your Company had 790 permanent employees on the pay rolls as on March 31, 2024.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure E** to this Report.

## BOARD'S REPORT

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of limits set out in the Rules 5(2) and 5(3) of the aforesaid Rules forms part of this Report. However, in terms of the first proviso of Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Shareholders and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Shareholders at the Registered Office of your Company during business hours. Any Shareholder, who is interested in obtaining these information may write to the Company Secretary at the Registered Office of the Company. Further, the details are also available on the Company's website: <https://scl.mehtagroup.com/investors>.

### SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Your Company has one subsidiary Company; viz. Agrima Consultants International Limited. Pursuant to the provisions of Section 136 of the Companies Act, 2013, listed companies are exempt from attaching the financial statements of their Subsidiary Company to the Annual Report of the Company. In accordance with the proviso to sub-section (1) of Section 136; a copy of the audited annual accounts of Agrima Consultants International Limited is provided at the following link: <https://scl.mehtagroup.com/subsidiary-companies/agrima-consultants-international-ltd-finance-reports>.

In accordance with Section 129(3) of the Companies Act, 2013 read with the rules made there under; a statement containing the salient features of the Financial Statements of the Company's Subsidiary is disclosed separately in this Annual Report under Form AOC-1. The Annual Accounts of the subsidiary Company shall be made available to any Shareholder on their request and the same shall also be kept open for inspection by any Shareholder at the registered office of the Company. During the year, the Company does not have any Associate/Joint Venture Company under review.

### CORPORATE SOCIAL RESPONSIBILITY

As part of its triple bottom-line approach to its business, Company has always considered the community as its key stakeholder. It believes that the community around its operations should also grow and prosper in the same manner as does its own business. Accordingly, Corporate Social Responsibility forms an integral part of the Company's business philosophy. To oversee all its Corporate Social Responsibility ("CSR") initiatives and activities, the Company has constituted a Board-level Committee - Corporate Social Responsibility Committee ("CSR Committee"). The constitution and functions of the CSR Committee is provided under the Corporate Governance Report.

The major thrust areas of the Company include healthcare, educational activities, women empowerment, infrastructure support, integrated rural development, environmental projects, health care projects, etc. which are aligned to the areas specified under Schedule VII to the Companies Act, 2013. The Annual Report on CSR activities for the Financial Year 2023-24 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is enclosed at **Annexure F** and forms part of this report. The CSR Policy of the Company may be accessed on website of the Company at <https://scl.mehtagroup.com/policy/csr-policy>.

### FINANCIAL STATEMENTS

The Audited Standalone and Consolidated Financial Statements of the Company which forms a part of this Annual Report in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015.

### AUDITORS:

#### a. STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 and Rules made there under, the Company at its 64<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> July 2022 appointed M/s. Manubhai and Shah LLP, Chartered Accountants, (Firm Registration No. 106041W / W100136) as Statutory Auditors of the Company, to audit the accounts of the Company up to the Financial Year 2026-27. The Auditor's Report issued by M/s. Manubhai and Shah LLP, Chartered Accountants on the financial statements of the Company for the Financial Year 2023-24 to the Shareholders forms part of the Annual Report and does not contain any qualification/reservation/disclaimer. The Notes to the Financial Statements referred in the Auditors' Report are self-explanatory.

## BOARD'S REPORT

### b. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Ragini Chokshi and Co., Practicing Company Secretaries, Mumbai, as the Secretarial Auditor for conducting Secretarial Audit of the Company for the Financial Year ended March 31, 2024.

The report of the Secretarial Auditor is given in **Annexure G**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2024-25.

### c. COST AUDITOR

The Cost Accounts and records as required to be maintained under Section 148(1) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are duly made and maintained by your Company. The Board of Directors on the recommendation of the Audit Committee had appointed M/s. V. J. Talati and Co., Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2023-24. The Cost Audit Report for the Financial Year ended 31<sup>st</sup> March, 2023 was filed with the Central Government on 3<sup>rd</sup> October, 2023 vide SRN No. F65557738.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have, on the recommendation of the Audit Committee, appointed M/s. M. Goyal and Co, Cost Accountants, Jaipur to conduct the Cost Audit of your Company for the Financial Year ending 31<sup>st</sup> March, 2025, at a remuneration as mentioned in the Notice convening the AGM.

As required under the Act, the remuneration payable to the Cost Auditors must be placed before the Shareholders at a general meeting for ratification. Hence, a resolution relating to the same forms part of the Notice convening the AGM.

### d. TAX AUDITORS

The Board of Directors, on the recommendation of the Audit Committee reappointed M/s Manubhai and Shah LLP, Chartered Accountants to carry out the Tax Audit for the Assessment Year 2024-25.

### e. INTERNAL AUDITORS

The Board of Directors on the recommendation of Audit Committee at its meeting held on 25<sup>th</sup> May, 2023 had assigned the Internal Audit to an In-house Internal Audit Department handled by professionals for the Financial Year 2023-24. During the year under review, Audit observations by In-house Internal Audit Team and corrective actions thereto were periodically presented to the Audit Committee of the Board.

The Board of Directors on the recommendation of the Audit Committee at its meeting held on 26<sup>th</sup> March, 2024 has appointed M/s. Pipalia Singhal and Associates, LLP, Chartered Accountants, as Internal Auditors to carry out the Internal Audit of the Company for the Financial Year 2024-25.

### REPORTING OF FRAUDS BY AUDITORS

Your Board confirms that no qualification, reservation, adverse remark or disclaimer has been made by the Statutory Auditors and the Company Secretaries in Practice in their Audit Reports issued to the Shareholders of the Company. The Statutory Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Companies Act, 2013.

## BOARD'S REPORT

### DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

- that in the preparation of the annual Financial Statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024, and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;
- that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively;
- that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

### ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

The Shareholders at its Annual General Meeting held on 17<sup>th</sup> August, 2023, had altered the Articles of Association of the Company i.e. Article No.176A under a new Clause XXVA with a new heading "APPOINTMENT OF CHAIRMAN EMERITUS", which was incorporated after the existing Article No. 176 under Clause XXV of the Articles of Association of the Company, by inserting an enabling provision for appointment of Chairman Emeritus.

### EMPLOYEE STOCK OPTION SCHEME

The disclosure pursuant to the provisions of Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is enclosed as **Annexure H** to this Report.

Additionally, pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a certificate from Secretarial Auditors M/s. Ragini Chokshi & Co, Practicing Company Secretaries is enclosed as **Annexure I** to this report.

### OTHER DISCLOSURES:

#### a. ANNUAL RETURN

In terms of section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at link <https://scl.mehtagroup.com/investors/annual-return>.

#### b. SECRETARIAL COMPLIANCE REPORT

Your Company has received Secretarial Compliance Report for the year ended 31<sup>st</sup> March 2024 from M/s. Ragini Chokshi & Co., Practicing Company Secretaries, pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is annexed hereto as **Annexure J**.

#### c. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Notes to the standalone financial statements.



## BOARD'S REPORT

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

The details as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 are annexed to this Report as **Annexure K** and forms part of it.

### e. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

In accordance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; a Certificate is issued by the Practicing Company Secretaries on a quarterly basis to reconcile the total share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Auditor confirms that the total issued/paid-up capital/any change in the capital in all the quarters during the year under review tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### f. RELATED PARTY TRANSACTIONS:

All Related Party Transactions during the Financial Year 2023-24 were on arm's length basis and in ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). All such transactions are placed before the Audit Committee for review/approval. The necessary omnibus approvals have been obtained from Audit Committee wherever required. There were no material Related Party Contracts/Arrangements/Transactions made by the Company during the year 2023-24 that would have required Shareholders' approval under the provisions of Section 188 of the Companies Act, 2013 or of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Company has adopted a Related Party Transactions Policy duly approved by the Board, which is uploaded on the Company's website and may be accessed at link - <https://scl.mehtagroup.com/policy/related-party-transactions-policy>.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is enclosed in Form No. AOC-2 as **Annexure L**.

### g. DEPOSITS

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act read with rules made thereunder at the end of the Financial Year 2023-24 or the previous financial years. Your Company did not accept any deposit during the year under review.

### h. TRANSFER OF EQUITY SHARES UNPAID/ UNCLAIMED DIVIDEND TO THE IEPF AUTHORITY

In line with the statutory requirements, your Company is required to credit to the Investor Education and Protection Fund ("IEPF"), dividend unclaimed/unpaid for 7 consecutive years and equity shares in respect of which such dividend had remained unclaimed/unpaid within the time lines laid down by the Ministry of Corporate Affairs. Unpaid/unclaimed dividend for seven (7) years or more has also been transferred to the IEPF pursuant to the requirements under the Act. During the Financial Year 2024-25, the unclaimed dividend amount and unclaimed shares pertaining to the Financial Year 2016-17 shall be transferred to the IEPF Authority on 27<sup>th</sup> August, 2024.

## MANAGING THE RISK OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES

### • PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

Your Company has complied with the provisions of the constitution of the 'Internal Committee' as per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). Your Company is having "Prohibition of Sexual Harassment Policy" which provides the mechanism to redress complaints reported under the said Act. As provided by the POSH Act, your Company has formed Internal Complaints Committees (ICC) at all work places to cover all Factories, Marketing Offices, Sales offices, and corporate offices. The Internal Committee (IC) comprises of internal members and external member who has an extensive experience in the field. Your Company has not received any complaint of sexual harassment during the Financial Year 2023-24.

## BOARD'S REPORT

### • VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has adopted a whistle blower policy and established the necessary Vigil Mechanism for employees and Directors to report concerns about unethical behavior. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The whistle blower policy may be accessed on the website of the Company at <https://scl.mehtagroup.com/policy/whistle-blower-policy>.

### • CODE OF CONDUCT

Your Company believes in the principle of trust which can be derived through ethical practices, transparency and accountability to stakeholders. Keeping the same into account, your Company has in place a "Code of Conduct". Every director and employee is required to adhere to the same. The details of the code of conduct can be accessed on the website of the Company at <https://scl.mehtagroup.com/policy/code-of-conduct>.

- There have been no material changes and commitments which have occurred after the close of the year till the date of this report, affecting the financial position of the Company.

- Your Company is required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, such accounts and records are made and maintained by the Company.

### RISK MANAGEMENT FRAMEWORK

Your Company's governance structure has well-defined roles and responsibilities, which enable and empower the Management to identify, assess and leverage business opportunities and manage risks effectively. There is also a comprehensive framework for strategic planning, implementation and performance monitoring of the business plan, which inter-alia includes a well-structured Business Risk Management process. The risks that fall under the purview of high likelihood and high impact are identified as key risks. The identified risks are then integrated into your Company's planning cycle, which is a rolling process to, inter-alia periodically review the movement of the risks on the heat map and the effectiveness of the mitigation plan.

The detailed section on key business risks and opportunities forms part of Management Discussion and Analysis Report, which forms part of this Annual Report.

No disclosure or reporting is made in respect of the following items as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as there were no transactions/ implications during the year under review relating to the following:

- During the year, there was no Application made or any Proceeding pending under The Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year.
- No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.
- There has been no change in the nature of business of your Company as on the date of this report.
- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- The Managing Director of the Company had not received any remuneration or commission from its subsidiary Company.
- No material fraud has been reported by the Auditors to the Audit Committee or the Board.
- There was no revision in the financial statements.
- There was no change in the nature of business.



## BOARD'S REPORT

Annexure A

### GENERAL

#### TRANSFER OF SHARES

As notified under Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a Depository.

#### LISTING OF EQUITY SHARES

Your Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Limited (Listing Approval from NSE was received on 27<sup>th</sup> February 2024). Your Company has paid the listing fees for the Financial Year 2024-25.

#### FACTORY LOCATIONS

The factories of the Cement division are located at:

##### 1. Ranavav Unit

**Address:** Near Railway Station, Ranavav,  
District: Porbandar, Gujarat- 360550.

##### 2. Sidheegram Unit

**Address:** Sidheegram, PO - Prashnavada BO,  
Via Sutrapada SO (Taluka),  
District: Gir Somnath, Veraval, Gujarat-362275.

The factories of the Paint division are located at:

##### 1. Sinnar Unit

Plot No.E-6, MIDC, Tal: Sinnar,  
Malegaon, Nashik, Maharashtra-422103.

##### 2. Gotan Unit

F 3, 4,18,19,20, Industrial Area, Gotan,  
Nagaur, Rajasthan-342902.

##### 3. Gummidipoondi

Unit Plot No.B-60 and 61, SIPCOT Industrial Estate, Gummidipoondi,  
Tiruvallur, Tamil Nadu-601201.

### ACKNOWLEDGEMENTS

The Directors take this opportunity to express their deep sense of gratitude to State, Central Government, Banks and local authorities for their continued co-operation and support. They also would like to place on record their sincere appreciation for the commitment, hard work and high engagement level of every member of the Saurashtra Cement family without which the exemplary performance of the Company year after year, would not have been possible. The Directors would also like to thank various stakeholders of the Company including customers, dealers, suppliers, lenders, transporters, advisors, local community, etc. for their continued committed engagement with the Company. The Directors would also like to thank the Shareholders of the Company for confidence and trust reposed in them.

#### For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN: 00152072)

**M. S. Gilotra**  
Managing Director  
(DIN: 00152190)

Place: Mumbai  
Dated: May 28, 2024

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDIAN ECONOMY:

India is the fifth largest economy in the world and also one of the fastest growing economies globally.

As per the provisional estimates released by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), the Real GDP grew by about 8.2 per cent in FY 2023-24 compared to 7.0 per cent in FY 2022-23 and 9.7 per cent in FY 2021-22.

As per World Bank reports, for the first time, the global economy is showing signs of stabilization after the turbulence caused by the pandemic and the geo political conflicts. India is set to remain the fastest growing major economy globally. The GDP growth for FY 2024-25 is estimated at about 6.5 to 7 per cent as per various rating agencies like ICRA, Moody's, IMF, ADB etc.

### INDIAN CEMENT INDUSTRY PERFORMANCE

All India cement consumption in FY 2023-24 was about 441 Million Tons and which was around 10.5 per cent higher than the previous year. The Industry is continuously adopting more sustainable measures, governance practices and undertaking social initiatives with higher impact .

Despite ongoing consolidation, the industry continues to remain fragmented with more than 10-15 players in each market, which results in intense competition. The average prices on all-India basis were marginally lower than those prevailing in the previous financial year.

The key drivers that led to increase in demand in the cement sector are as follows:

- The Government has increased its spending on various infrastructure development projects which includes construction of new ports and airports, irrigation projects, metro rail projects in state capitals as well as tier 1 and tier 2 cities etc.
- The main focus of the National Highway Authority of India (NHAI) was on concreting roads & highways in various parts of the country for better connectivity & better movement of goods, people from one part of the country to another part of the country.
- Dedicated Eastern and Western Freight Corridors.
- Thrust on developing Rural and affordable homes in rural areas under Pradhan Mantri Awas Yojana ("PMAY") by way of increased allocation of funds.
- Focus on development of smart cities across the country by Ministry of Housing and Urban Affairs.
- The spurring urban housing demand led to an increase in demand for housing sector home loans as Attractive Interest Rates were provided in order to enable middle class people to either buy or build their own homes.

### CEMENT INDUSTRY FUTURE OUTLOOK & OPPORTUNITIES

- **Supply :** As per CRISIL, the cement industry is likely to add 210-220 Million Tons capacity upto FY 2028.
- **Demand :** The demand growth fueled by the thriving housing (accounting for 60-65% of cement consumption) and continued investments in infrastructure, is likely to continue with minor aberrations during election periods. Cement consumption is likely to grow at 6-7 per cent for the next 4-5 years.
- **Price Realisations :** Cement prices are expected to remain subdued in the first six months of FY 2024-25 on account of policy delays during election period and monsoon. However, they are expected to stabilize from the last quarter of FY 2024-25.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### PAINT INDUSTRY PERFORMANCE AND OUTLOOK

The growth in the Paint Industry in India was around 5% in FY 2024. The outlook for paints remains positive with the pick-up in housing, infrastructure and construction activities across all regions. Increasing income levels, rural growth, increasing urbanization, rising aspirations of a growing middle class and increasing disposable incomes are likely to be the growth drivers for the paints industry. Moreover, the Indian paint industry has been witnessing a shift in the preferences of people from the traditional whitewash to high quality paints like emulsions and enamel paints, which have better margins.

#### Key Growth drivers in the Paint Industry :

1. Real Estate Sector – accounts for about 70% of the total paint demand which is expected to remain robust on backed by housing construction boom.
2. Reduction in repainting cycle as consumers have started to paint their houses at frequent intervals.
3. Increased government spending on affordable housing and infrastructure.
4. Residential housing sales are expected to increase by 10% in the top fifteen cities.
5. Demand for decorative paints will increase by 20% from new construction.
6. Growing demand for rental premises and growth in the income levels of consumers.
7. Growth in niche products like wood finishes.
8. The per capita consumption of paints in India is only 3.50 kg compared to global average of 10 kg per annum, implying huge potential for growth.

### PERFORMANCE ANALYSIS

During the Financial Year ended 31<sup>st</sup> March, 2024, your Company earned / (incurred) a net profit after tax of ₹ 5,711.91 lakhs as against net loss after tax of ₹ 2,216.54 lakhs in the previous Financial Year (Merged entity).

Since cement is the core business of your Company, the majority of the revenue is attributable to the sale of different types of cement and it accounts around 98% of the total revenue of your Company.

The contribution of revenue from Paints division has been around 2% of the total revenue for the year ended 31<sup>st</sup> March, 2024.

### YOUR COMPANY'S KEY ACHIEVEMENTS DURING THE YEAR

- Your Company was honored with **"THE ZEE MAHA SANMAN"** as **"THE MOST RELIABLE CEMENT COMPANY IN GUJARAT"** by the Hon'ble Chief Minister of Government of Gujarat, Shri Bhupendrabhai Patel in the grand ceremony of **'Maha Sanman Awards 2024'** held on February 29, 2024 hosted by Zee 24 Kalak.
- **Adityana Limestone & Marl Mines and Ran Bauxite Mines** received **THIRD PRIZE** at **14<sup>th</sup> Gujarat Metalliferous Mine Safety, Swachhta & Silicosis Awareness – 2023** for exceptional accomplishments & unwavering dedication to safety & awareness within the metalliferous mining industry.

### KEY FINANCIAL RATIOS

The details of significant changes in key financial ratios of the Company for the current Financial Year vis-à-vis the previous Financial Year are given on the following Table:

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Ratio	Current FY 2023-24	Previous FY 2022-23	Variance, %	Reason for Variance
Debtors Turnover (Days)	17.26	15.28	13%	
Inventory Turnover – (Days)	46.21	40.87	13%	
Interest Coverage Ratio	10.86	1.01	975%	Consequential impact of increase in profit
Current Ratio	1.20	0.93	29%	Increase in current assets mainly bank balances in the form of Fixed Deposits with Bank and classification of significant amount into current
Debt Equity Ratio	0.09	0.07	29%	Increase in bank borrowings
Operating Profit Margin (%)	9.40%	1.14%	725%	Consequential impact of increase in profit
Net Profit Margin (%)	3.24%	-1.35%	340%	Increase in profit, mainly due to comparatively lower cost of Power and Fuel

The Return on Net Worth of the Company for the FY 2023-24 was 6.31% as against -2.48% in the Previous Financial Year.

### RISK AND CONCERNS

Your Company has internal control procedures to evaluate, monitor and review the risks impacting the Company.

The major risks identified by the Board of Directors / committees is as under:-

- Abrupt increase in raw material/ fuel prices can impact profitability.
- Close to Barda Wildlife Sanctuary (Adityana Mines-Ranavav Unit).
- Adityana Mining Lease is valid upto 31.3.2030 only.
- Cost structure constraint to sell in South & North Gujarat, Mumbai, South Rajasthan and Kerala owing to supply overhang and market dynamics.

### HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Your Company considers employees as its most valuable asset, and through their competencies and capabilities, your Company achieve the business goals and objectives of the management, fulfilling their aspirations.

### YOUR COMPANY'S KEY DEVELOPMENTS DURING THE YEAR

#### • Learning & Development

Your Company invests in the development and growth of its talent pool, retaining its reputation as a 'learning organisation'. Your Company continuously provide training to internal talent and build a talent pool for future roles, utilizing an effective e-learning model.

#### • Digitization of Human Relations data by Implementation of Cloud based Software – SAP Payroll & Success Factors

Your Company have also implemented SAP Payroll and Success Factors to manage people profiles, organizational charts, employee benefits, time and attendance, and statutory compliance with confidence. An inbuilt learning and development module for employees will always provide scope for overall development.

- Industrial relations have remained cordial, and employee relations have been harmonious throughout the year.
- As of 31.03.2024, the number of permanent employees in your Company were 790.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annexure B

### COMPANY'S EMPLOYEES SAFETY IS UTMOST IMPORTANT

Your Company values a healthy body and mind as the basic need of every organization. Health Centre of your Company takes care of health-related issues of employees and their family members, which is also extended to the community free of cost along with various immunization programs, occupational health services, and family welfare education programs.

### SUCCESSFUL IMPLEMENTATION OF INTERNATIONAL SAFETY STANDARDS - OHSAS 18001 & ISO 45001 FOR EMPLOYEE'S OCCUPATIONAL HEALTH AND SAFETY

Your Company has a robust management system to ensure safety culture which is imbibed across the organization. Your Company's occupational health and safety measures are certified by recognized certification bodies, and have implemented International Safety Standards OHSAS 18001 and now ISO 45001 for occupational health and management systems.

### CONDUCTING VARIOUS SAFETY EVENTS TO MITIGATE UNSAFE CONDITIONS AT WORKPLACE

Your Company regularly conducts safety events like National Safety Day, National Fire Service Day and awareness sessions, internal/external safety audits, and behaviour-based safety drives to mitigate unsafe conditions at the workplace. Your Company is committed to ensuring the safety of all employees, contractors, and others connected with its operations through its Zero Harm policy.

### YOUR COMPANY'S CSR (CORPORATE SOCIAL RESPONSIBILITY) INITIATIVES

As a responsible corporate entity, your Company is in touch with its neighbouring villages and societies by extending helping hand through CSR activities focusing on health, education, drinking water, environment, and rural development in the surrounding areas of Ranavav and Sidheegram units. These initiatives aim to create long-term value and are implemented for the community members irrespective of their gender, ethnicity, or religious background.

### PROVIDING EDUCATION AT SAURASHTRA CEMENT'S SCHOOL CAMPUS AT RANAVAV & SIDHEEGRAM UNITS

Your Company has constructed a school on the colony campus of Ranavav and Sidheegram Units where the employees' wards and children from outside also study at a nominal cost. Your Company also provides bus that commutes to Porbandar, Veraval, and surrounding villages for dropping off and picking up children for higher education. Your Company initiated extra coaching classes for underprivileged promising students from nearby areas, thereby providing encouragement and guidance. Your Company also takes care of nearby schools lacking amenities.

### CAUTIONARY STATEMENT

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking statements within the meaning of applicable security laws and regulations. The Statements are based on certain assumptions and expectations of future events. Actual results could however differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply position, raw material, fuel, transport cost and availability, changes in Government regulations and tax structure, economic development in India. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future based on subsequent developments, information or events.

#### For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN: 00152072)

**M. S. Gilotra**  
Managing Director  
(DIN: 00152190)

Place: Mumbai  
Dated: May 28, 2024

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on corporate governance is deeply ingrained in the commitment of transparency, accountability, integrity, and stakeholder value creation. Your Company recognizes that effective corporate governance not only enhances trust and credibility among stakeholders but also fosters long-term resilience and prosperity for our communities and the Company.

Your Company believes in maintaining transparent and open communication channels with all stakeholders, including shareholders, employees, customers, suppliers, and regulators. Your Company's commitment to transparency is reflected in timely and accurate disclosure of financial performance, operational activities, and material risks through various channels, such as annual reports, regulatory filings, and stakeholder engagements.

Your Company recognizes that corporate governance is a dynamic process that requires continuous improvement and adaptation to evolving regulatory requirements, market dynamics, and stakeholder expectations. Your Company regularly reviews and enhances the governance practices to ensure alignment with best practices and emerging trends, while remaining agile and responsive to changing circumstances. By embracing innovation and fostering a culture of continuous improvement, your Company strives to maintain the leadership position in corporate governance within the cement sector.

Your Company confirms the compliance of corporate governance requirements as specified in Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ["SEBI (LODR) Regulations"].

### BOARD OF DIRECTORS

The Board of Directors ("the Board") comprises of optimum combination of Executive, Non-Executive and Independent Directors having diverse backgrounds and expertise who are responsible for and are committed to sound principles of Corporate Governance in your Company in line with the provisions of the Companies Act, 2013 (the "Act") and the SEBI (LODR) Regulations.

The Board oversees the Company's management team, ensuring that they are acting in the best interests of the Company and its stakeholders. This oversight helps maintain accountability and transparency within the organization.

The Board, by providing strategic guidance, oversight, accountability and directions achieves long-term value for the Company and its Shareholders. This in turn helps the Company to ensure that it remains competitive and sustainable over the long term.

### Board Committees:

The Board committees are specialized groups formed by Board of Directors to address specific areas of governance and decision-making within a company.

The Board has delegated its functioning in relevant areas to designated Board Committees to effectively deal with complex or specialized issues. The Board through its committees monitors various areas of business.

The mandatory Committees of the Board are:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Corporate Social Responsibility Committee;
- iv. Stakeholders Relationship and Grievances Committee

## CORPORATE GOVERNANCE REPORT

The Board has voluntarily constituted Finance Committee and Allotment Committee. These Committees undertake the functions, roles and responsibilities as delegated by the Board of Directors from time to time and as elucidated in this report.

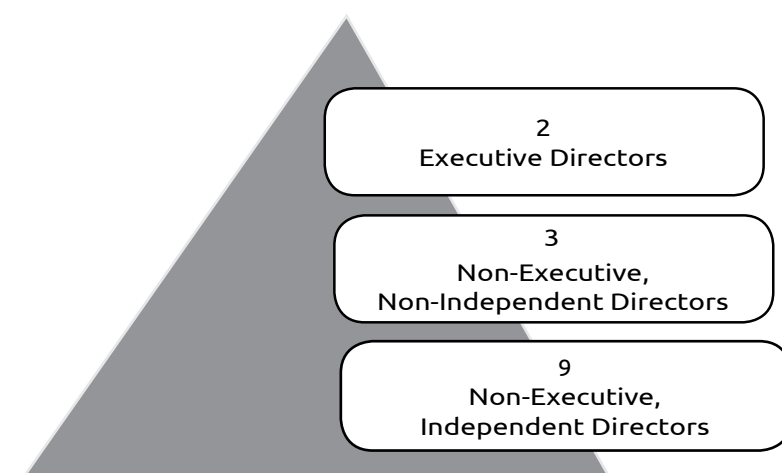
All the Directors have periodically intimated about their Directorship and Membership in various Boards/ Committees of other companies. The same is within the permissible limits as provided under the Companies Act, 2013 and SEBI (LODR) Regulations.

None of the Directors on the Board are a member of more than 10 committees or Chairperson of more than 5 committees as specified in Regulation 26 of SEBI (LODR) Regulations across all the Public Companies in which he/she is a Director.

### Composition of the Board as on 31<sup>st</sup> March, 2024

The composition of the Board of your Company is in conformity with Regulation 17 and 17A of the SEBI (LODR) Regulations read with Section 149 of the Companies Act, 2013.

The Board composition as on 31<sup>st</sup> March, 2024 is as under:



### Independent Directors

All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 (1) (b) of the SEBI (LODR) Regulations. No Independent Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013.

### BOARD MEETINGS:

The Board of the Company meets at least four times in a year and the intervening gap between the meetings is within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations. The conduct of Board and Committee Meeting(s) of your Company is in compliance with the applicable provisions of the Companies Act, 2013, Secretarial Standard -1 ('SS-1') on the Meetings of the Board of Directors as prescribed by the Institute of Company Secretaries of India (ICSI) and the SEBI (LODR) Regulations.

During the Financial Year ended 31<sup>st</sup> March, 2024; 6 (Six) board meetings were held on 25<sup>th</sup> May, 2023; 30<sup>th</sup> June, 2023; 7<sup>th</sup> August, 2023; 8<sup>th</sup> November, 2023; 12<sup>th</sup> February, 2024 and 26<sup>th</sup> March, 2024. The gap between any two consecutive Board meetings had not exceeded the stipulated period of 120 (one hundred and twenty) days, as provided under Section 173 of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015 and SS-1.

## CORPORATE GOVERNANCE REPORT

### Invitees & Proceedings

Apart from the Board members, the Company Secretary and Chief Financial Officer (CFO) also attends all the Board & Committee Meetings. Other senior management executives of the Company are also invited to provide inputs for the items being discussed by the Board. The Managing Director and CFO makes presentations on the quarterly, annual operating, financial performance and annual budget at the Board and Audit Committee meeting respectively. The Chairman of various Committees briefs the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board Meeting.

### DIRECTOR

Brief details of Directors as on 31<sup>st</sup> March, 2024 are as mentioned below:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at AGM held on 17.08.2023	No. of other Directorships <sup>^</sup>	Committee Positions#		Relationship with other Directors	No. of shares held
					Chairman	Member		
Mr. M. N. Mehta	Chairman, Non-Executive, Non-Independent Director	3	No	1	--	--	Father of Mr. Jay Mehta	Nil
Mr. Jay M. Mehta	Executive Vice Chairman, Non-Independent Director	6	Yes	2	--	1	Son of Mr. M. N. Mehta	43,730
Mr. Hemang D. Mehta	Non-Executive, Non-Independent Director	5	Yes	--	--	--	--	95,584
Mr. Hemnabh Khatau	Non-Executive, Non-Independent Director	5	no	1	--	--	--	Nil
Mr. M. N. Rao <sup>1</sup>	Non-Executive, Independent Director	6	Yes	--	1	1	--	Nil
Mr. B. P. Deshmukh <sup>2</sup>	Non-Executive, Independent Director	6	Yes	--	--	--	--	Nil
Mr. K. N. Bhandari <sup>3</sup>	Non-Executive, Independent Director	6	Yes	7	4	7	--	Nil
Mr. Bimal R. Thakkar <sup>4</sup>	Non-Executive, Independent Director	5	Yes	4	1	2	--	Nil
Mrs. Bhagyam Ramani <sup>5</sup>	Non-Executive, Independent Director	6	No	4	--	5	--	Nil
Mr. Ashwani Kumar	Non-Executive, Independent Director	5	Yes	3	2	5	--	Nil
Mr. Aman Khanna	Non-Executive, Independent Director	4	Yes	--	--	--	--	Nil
Mrs. Radhika Samarjitsinh Gaekwad	Non-Executive, Independent Director	3	Yes	--	--	--	--	Nil
Mr. M. N. Sarma	Non-Executive, Independent Director	5	Yes	--	--	--	--	Nil
Mr. M. S. Gilotra	Managing Director, Non-Independent Director	6	Yes	--	--	2	--	1,38,293

1. Mr. M. N. Rao ceased to be Director of the Company as his tenure ended w.e.f. 1<sup>st</sup> April, 2024.
2. Mr. B. P. Deshmukh ceased to be Director of the Company as his tenure ended w.e.f. 1<sup>st</sup> April, 2024.
3. Mr. K. N. Bhandari ceased to be Director of the Company as his tenure ended w.e.f. 1<sup>st</sup> April, 2024.



## CORPORATE GOVERNANCE REPORT

4. Mr. Bimal Thakkar ceased to be Director of the Company as his tenure ended w.e.f 1<sup>st</sup> April, 2024.
  5. Mrs. Bhagyam Ramani will cease to be Director of the Company as her tenure will end w.e.f. 4<sup>th</sup> August, 2024.
- ^ Includes Directorships of Indian Public Limited Companies other than Saurashtra Cement Limited.
- # Includes only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (whether listed or not) other than Saurashtra Cement Limited, as per Regulation 26(1)(b) of SEBI (LODR) Regulations.

### DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT

#### Appointment of Non-Executive, Non-Independent Director

In terms of Section 152(6) of the Companies Act, 2013, Mr. Hemang D. Mehta (DIN: 00146580) Non-Executive, Non-Independent Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

#### Appointment of Non-Executive, Independent Director

Mr. Viren Ajitkumar Merchant (DIN:00033464) was appointed as an Additional, Director categorized as Non-Executive, Independent Director by the Board of Directors at its meeting held on 28<sup>th</sup> May, 2024 for a period of 5 years subject to the approval of the Shareholders at the ensuing Annual General Meeting.

### RESIGNATION OF INDEPENDENT DIRECTORS:

None of the Independent Directors of the Company have resigned before the expiry of his/her tenure.

### OTHER DIRECTORSHIPS:

The details of other listed entities where the Directors hold Directorships and their category of Directorships in such listed entities are given below:

Name of the Director	Name of the listed Entities	Category of Directorship
Mr. M. N. Mehta	--	--
Mr. Jay Mehta	(1) ADF Foods Limited	Non-Executive, Non Independent Director
Mr. Hemang Mehta	--	--
Mr. Hemnabh Khatau	--	--
Mr. M. N. Rao (*)	--	--
Mr. B. P. Deshmukh (*)	--	--
Mr. K. N. Bhandari (*)	(1) Shristi Infrastructure Development Corporation Limited (2) Venus Pipes & Tubes Limited (3) Hindalco Industries Limited	1. Non-Executive, Independent Director 2. Non-Executive, Independent Director 3. Non-Executive, Independent Director
Mr. Bimal Ramesh Thakkar (*)	(1) ADF Foods Limited	Executive Director, Managing Director
Mrs. Bhagyam Ramani (**)	(1) Capri Global Capital Limited (Ceased to be director w.e.f 01.04.2024) (2) Steel Exchange India Limited (3) Llyods Metals and Energy Limited	1. Non-Executive, Independent Director 2. Non-Executive, Independent Director 3. Non-Executive, Independent Director
Mr. Ashwani Kumar	Macrotech Developers Limited	Non-Executive, Independent Director
Mr. M. S. Gilotra	--	--

(\*) Ceased to be the Independent Director effective from 1<sup>st</sup> April, 2024.

(\*\*) Will cease to be the Independent Director effective from 4<sup>th</sup> August 2024 on completion of tenure.

## CORPORATE GOVERNANCE REPORT

None of the Director on the Board of the Company is a Director in more than 7 (seven) listed companies and is a member of more than 10 (ten) committees and/or acts as a chairman/chairperson of more than 5 (five) committees across all the listed companies in which he/she is a Director.

Further, no Independent Director serves in more than 7 (seven) listed companies and no person who is serving as a Whole-time Director/Managing Director in a listed company is serving as an Independent Director in more than 3 (three) listed companies.

### INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors that they continue to meet the criteria of independence as provided under the Companies Act, 2013; SEBI (LODR) Regulations and comply with the Code for Independent Directors as specified under Schedule IV of the Companies Act, 2013. Also, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA).

### FAMILIARIZATION PROGRAMMES FOR THE DIRECTORS INCLUDING INDEPENDENT DIRECTORS

Your Company believes that the Board must be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole. Over the years, your Company has developed a robust familiarization process for the newly appointed Directors with respect to their roles and responsibilities, overview of the cement and paint industry, Company's business model, risks and opportunities, launch of new products, innovation, sustainability measures, etc.

Your Company's management makes various legal & regulatory presentations periodically at the Board meetings to familiarize the Directors.

The details of Familiarization Programmes imparted to Independent Directors is disclosed on the Company's website: <https://scl.mehtagroup.com/investors/announcements>

### PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS, INCLUDING INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, the Board carries out an annual performance evaluation comprising review of the performance of the Directors individually as well as the evaluation of the working of the entire Board and its Committees. For this purpose, a structured questionnaire is prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as structure and composition of the Board, quality of Board processes, Board culture and dynamics, and effectiveness in carrying out its role as expected by all the stakeholders.

In accordance with Schedule IV of the Companies Act, 2013 and Regulation 25(3) and (4), of the SEBI (LODR) Regulations; a separate meeting of the Independent Directors of the Company was held on 23<sup>rd</sup> May, 2024 to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also assessed the quality, quantity and timeliness of flow of information necessary for the Board to effectively discharge its duties between the Company's management and its Board.

The Board as a whole was assessed by Independent Directors taking into consideration the diversity, composition of the Board, frequency of meetings, qualification mix, regulatory compliances, corporate culture, values and interaction with the management etc.

## CORPORATE GOVERNANCE REPORT

### AREAS OF EXPERTISE AND COMPETENCIES OF DIRECTORS

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations as amended, the Board has identified the key skills, expertise and competencies required in the context of the Company's business for its effective functioning which are currently possessed by the Board Members.

The information in terms of Para C(2)(h)(ii) of Schedule V of the SEBI LODR Regulations as on 31<sup>st</sup> March, 2024 is mentioned below:

Sr. No.	Skills / Expertise / Competence	Available with the Board (Yes / No)	Name of the Directors who have such skills /expertise / competence
1.	Technical Expertise	Yes	Mr. M. N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. Hemnabh Khatau, Mr. M. N. Rao, Mr. M.S.Gilotra
2.	Legal Expertise	Yes	Mr. K.N. Bhandari, Mr. B.P. Deshmukh, Mr. M. N. Sarma
3.	Industry Expertise	Yes	Mr. M.N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. M. N. Rao, Mr. Aman Khanna, Mr. M. S. Gilotra
4.	Finance Expertise	Yes	Mr. M.N. Mehta, Mr. Jay Mehta, Mr. Hemnabh Khatau, Mr. M. N. Rao, Mr. Bimal Thakkar, Mr. K.N. Bhandari, Mr. B. P. Deshmukh, Mrs. Bhagyam Ramani, Mr. Ashwani Kumar, Mr. M. N. Sarma, Mr. Aman Khanna, Mr. M. S. Gilotra
5.	Strategy	Yes	Mr. M. N. Mehta, Mr. Bimal Thakkar, Mr. Jay Mehta, Mr. M. N. Rao, Mr. M.S. Gilotra, Mr. K. N. Bhandari, Mrs. Bhagyam Ramani, Mr. Hemang D. Mehta, Mr. B. P. Deshmukh, Mr. Hemnabh Khatau, Mr. Ashwani Kumar, Mr. M. N. Sarma, Mr. Aman Khanna, Mrs. Radhikaraje Gaekwad
6.	Marketing Expertise	Yes	Mr. M.N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. Bimal Thakkar, Mr. Ashwani Kumar, Mr. M.S.Gilotra, Mr. M. N. Sarma, Mr. Aman Khanna, Mrs. Radhikaraje Gaekwad

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

### COMMITTEES OF THE BOARD

The Committees of the Board are specialized groups formed within the Board of Directors to address specific areas of governance, oversight, or strategic focus within an organization. The Committees have been constituted to deal with specific areas / activities as mandated by applicable regulations. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. During the year under review, all the recommendations made by various Committees have been accepted by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

The Board has constituted the following Committees of Directors to monitor the activities falling within their respective terms of reference:

#### A. AUDIT COMMITTEE

Audit Committee		
Members	Independent Directors	Meetings held during the year
4	3	6

## CORPORATE GOVERNANCE REPORT

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with the provisions of Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI (LODR) Regulations.

### The Terms of reference of Audit Committee are as follows:

- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of Auditors of the Company;
- Approve payment to Statutory Auditors for any other services rendered by them;
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of the Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- Review, with the management, the quarterly financial statements before submission to the Board for approval;
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approve transactions of the Company with related parties and any subsequent modification;
- Scrutinize inter-corporate loans and investments;
- Consider Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluate, internal financial controls and risk management systems;
- Review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discuss with Internal Auditors of any significant findings and follow up there on;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

## CORPORATE GOVERNANCE REPORT

17. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Review the functioning of the Whistle Blower / Vigil Mechanism;
19. Recommend to the Board the appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
20. Review the utilization of loans and / or advances from / investment by the company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
21. To review the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time);
22. Carry any other function as is mentioned in the terms of reference of the Audit Committee;

The following roles of the Audit Committee have been notified by SEBI vide its circular dated 3<sup>rd</sup> November, 2020 as amended from time to time for considering scheme of arrangement for approval.

- Need for the merger/demerger/amalgamation/arrangement;
- Rationale of the scheme;
- Synergies of business of the entities involved in the scheme;
- Impact off the scheme on the shareholders;
- Cost benefit analysis of the scheme.

**Composition:**

The Audit Committee of the Board is constituted in compliance with the requirements of Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations.

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members namely:

- i. Mr. M. N. Rao, Chairman
- ii. Mr. K. N. Bhandari, Member
- iii. Mrs. Bhagyam Ramani, Member
- iv. Mr. M. S. Gilotra, Member

All members of the Committee are financially literate and have requisite accounting and financial management expertise. The Company Secretary acts as the Secretary of the Audit Committee.

**Meetings of the Audit Committee and attendance during the year:**

6 (Six) meetings of the Audit Committee were held during the Financial Year 2023-24 on 25<sup>th</sup> May, 2023; 7<sup>th</sup> August, 2023; 15<sup>th</sup> September, 2023; 8<sup>th</sup> November, 2023; 12<sup>th</sup> February, 2024; and 26<sup>th</sup> March, 2024

The attendance of members of Audit Committee at the said meetings was as follows:

Sr. No.	Name of the Members	Category of Director	No. of meetings attended
1.	Mr. M. N. Rao, Chairman (Ceased to be the Chairman w.e.f. 1 <sup>st</sup> April, 2024)	Non-Executive, Independent Director	6
2.	Mr. K. N. Bhandari, Member (Ceased to be the Member w.e.f. 1 <sup>st</sup> April, 2024)	Non-Executive, Independent Director	6
3.	Mrs. Bhagyam Ramani, Member (Ceased to be the Member w.e.f. 1 <sup>st</sup> April, 2024 in view of the reconstitution of the Committee)	Non-Executive, Independent Director	6

## CORPORATE GOVERNANCE REPORT

Sr. No.	Name of the Members	Category of Director	No. of meetings attended
4.	Mr. M. S. Gilotra, Member	Managing Director, Non-Independent	6
5.	Mr. Ashwani Kumar, Chairman (Appointed as Chairman w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
6.	Mr. Aman Khanna, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
7.	Mr. M. N. Sarma, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-

Mr. M. N. Rao, the Chairman of the Audit Committee upto 1<sup>st</sup> April 2024, was present at the 65<sup>th</sup> Annual General Meeting of the Company held on 17<sup>th</sup> August, 2023.

**B. NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee		
Members	Independent Directors	Meetings held during the year
4	4	4

The Nomination and Remuneration Committee of the Company functions according to its terms of reference, that defines its objective, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations.

**The terms of reference of the Nomination and Remuneration Committee are as follows:**

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulate of criteria for evaluation of Independent directors and the Board;
- c) Devise a policy on Board diversity;
- d) Identify persons who are qualified to become directors and also such persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board, their appointment and removal;
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- f) Recommend to the board, all remuneration, in whatever form, payable to senior management;

**Composition:**

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members namely:

- (i) Mr. K. N. Bhandari, Chairman
- (ii) Mr. M. N. Rao, Member

## CORPORATE GOVERNANCE REPORT

(iii) Mr. Bimal Thakkar, Member

(iv) Mr. Ashwani Kumar, Member

**Meetings of the Nomination and Remuneration Committee and attendance during the year:**

4 (Four) meetings of the Nomination and Remuneration Committee were held during the Financial Year 2023-24. These meetings were held on the 23<sup>rd</sup> May, 2023; 30<sup>th</sup> June, 2023; 8<sup>th</sup> November, 2023; and 26<sup>th</sup> March, 2024.

The attendance of members of Nomination and Remuneration Committee at the said meetings was as follows:

Sr. No.	Name of the Members	Category of Director	No. of meetings attended
1.	Mr. K. N. Bhandari, Chairman (Ceased to be the Chairman w.e.f.1 <sup>st</sup> April, 2024 )	Non-Executive, Independent Director	4
2.	Mr. M. N. Rao, Member (Ceased to be the Member w.e.f.1 <sup>st</sup> April, 2024 )	Non-Executive, Independent Director	4
3.	Mr. Bimal Ramesh Thakkar, Member (Ceased to be the Member w.e.f.1 <sup>st</sup> April, 2024 )	Non-Executive, Independent Director	3
4.	Mr. Ashwani Kumar, Member (Appointed as Chairman w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	4
5.	Mr. Aman Khanna, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
6.	Mr. M. N. Sarma, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
7.	Mr. Hemnabh R. Khatau, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Non-Independent	-

Mr. K. N. Bhandari, Chairman of the Nomination and Remuneration Committee, upto 1<sup>st</sup> April, 2024 was present at the 65<sup>th</sup> Annual General Meeting of the Company held on August 17, 2023.

**REMUNERATION/COMPENSATION POLICY**

The Nomination and Remuneration Charter is approved by the Nomination and Remuneration Committee (NRC) and the Board. The main objective of the said Policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and Senior Management employees. The Remuneration Policy of the Company is designed to create a high-performance culture.

The Remuneration / Compensation / Increments to the Whole Time Director, KMP, Senior Management Personnel is being determined by the Committee and then recommended to the Board. Shareholders' approval is taken as and when required under the Act. The provisions of the Act along with Schedule V are complied.

The Remuneration paid to Executive / Non-Executive Directors is paid as per the Companies Act, 2013. Sitting Fees paid to Non-Executive/ Independent Directors does not exceed ₹ 1,00,000/- (Rupees One lakh) per meeting of the Board / Committee.

## CORPORATE GOVERNANCE REPORT

**Details of Remuneration of Directors paid for the Financial Year 2023-24****Executive Directors**

(₹ in Lakhs)

Name	Salary & Allowances	Commission	Perquisites (Other than ESOP)	Superannuation Paid (Taxable)	ESOP Perks (*)	Total	Exempt Benefits		Total
							Contribution to PF	Contribution to Super-annuation	
Mr. Jay M Mehta, Executive Vice Chairman	619.00	-	86.17	52.93	-	758.10	6.00	1.50	765.60
Mr. M. S. Gilotra, Managing Director	453.70	-	31.52	38.05	-	523.27	7.50	-	530.77

The above Executive Directors were reappointed for a further period of 3 years effective from 01.01.2024 and the appointment(s) can be terminated by either side by giving three months' notice in writing. No Severance fees is applicable to the above Directors.

(\*) ESOP is granted at ₹ 10/- (face value of shares). For the exercise period and accrual, details are given under the head 'Employees Stock Option Scheme' in the Directors' Report.

**Non-Executive Directors**

Based on the recommendation of the NRC, all the decisions relating to remuneration of Directors are taken by the Board of your Company in accordance with the shareholders' approval, wherever necessary.

Sitting Fees are paid as under:

- Board, Audit Committee : ₹ 1,00,000/- (Rupees One Lakh) per meeting.
- Independent Directors Meeting , Nomination & Remuneration Committee: ₹ 75,000/- (Rupees Seventy Five Thousand) per meeting.
- Stakeholders Relationship & Grievances Committee, CSR Committee, and Finance Committee: ₹ 50,000/- (Rupees Fifty Thousand) per meeting.
- Allotment Committee: ₹ 30,000/- (Rupees Thirty thousand only) per meeting.

The detail of sitting fees paid to Directors is given below:-

Sr. No.	Name of the Directors	No. of Board meeting attended	No. of Committee meetings attended	Amount of Sitting fees paid (₹)
1.	Mr. M. N. Mehta (Chairman)	3	-	3,00,000
2.	Mr. Hemang D. Mehta	5	-	5,00,000
3.	Mr. Hemnabh Khatau	5	-	5,00,000
4.	Mr. M.N. Rao	6	11	15,75,000



## CORPORATE GOVERNANCE REPORT

Sr. No.	Name of the Directors	No. of Board meeting attended	No. of Committee meetings attended	Amount of Sitting fees paid (₹)
5.	Mr. B.P. Deshmukh	6	6	8,25,000
6.	Mr. K. N. Bhandari	6	11	15,75,000
7.	Mr. Bimal R. Thakkar	5	11	10,50,000
8.	Mrs. Bhagyam Ramani	6	14	15,25,000
9.	Mr. Ashwani Kumar	5	5	8,75,000
10.	Mr. Aman Khanna	4	-	4,00,000
11.	Mrs. Radhika Gaekwad	3	-	3,00,000
12.	Mr. M.N. Sarma	5	-	5,00,000
<b>Total</b>				<b>99,25,000</b>

## C. STAKEHOLDERS RELATIONSHIP &amp; GRIEVANCES COMMITTEE

Stakeholders Relationship & Grievances Committee		
Members	Independent Directors	Meetings held during the year
4	3	1

The Stakeholders Relationship & Grievances Committee functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI (LODR) Regulations.

The Committee oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures for the overall improvement in the quality of Investor Services. The Committee reviews investor related issues and recommends measures to improve Investor Services.

**The Terms of reference of the Stakeholders Relationship & Grievances Committee are as follows:**

- To resolve the grievances of the Shareholders of the Company including complaints related to transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

**Composition:**

The composition of the Stakeholders' Relationship & Grievances Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations.

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members namely:

- Mr. Bimal Thakkar, Chairman
- Mr. Jay M. Mehta, Member
- Mrs. Bhagyam Ramani, Member
- Mr. M. S. Gilotra, Member

Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy is designated as the Compliance Officer who oversees the redressal of the investor grievances.

## CORPORATE GOVERNANCE REPORT

**Meetings of the Stakeholders Relationship & Grievances Committee and attendance during the year:**

1 (One) meeting of the Stakeholders Relationship & Grievances Committee was held during the Financial Year 2023-24. The meeting was held on 24<sup>th</sup> May, 2023.

The attendance of members of Stakeholders Relationship & Grievances Committee at the said meeting was as follows:

Sr. No.	Name of the Members	Category of Director	No. of meetings attended
1.	Mr. Bimal Thakkar, Chairman (Ceased to be the Chairman w.e.f. 1 <sup>st</sup> April, 2024).	Non-Executive, Independent Director	1
2.	Mr. Jay M. Mehta, Member	Executive Vice Chairman, Non-Independent	-
3.	Mr. M. S. Gilotra, Member	Managing Director, Non-Independent	1
4.	Mrs. Bhagyam Ramani, Member (Ceased to be the Member w.e.f. 1 <sup>st</sup> April, 2024 in view of the reconstitution of the Committee)	Non-Executive - Independent Director	1
5.	Mr. M. N. Sarma, Chairman (Appointed as Chairman w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
6.	Mrs. Radhika Samarjitsinh Gaekwad, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-

The details of investors' complaints received and resolved during the Financial Year ended 31<sup>st</sup> March, 2024 are as follows:

No. of complaints received from 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	No. of Complaints resolved from 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	No. of complaints pending as at 31 <sup>st</sup> March, 2024
8	8	Nil

## D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Corporate Social Responsibility Committee		
Members	Independent Directors	Meetings held during the year
4	2	1

The Corporate Social Responsibility Committee of the Board has been constituted to oversee the Corporate Social Responsibility Policy of the Company and to recommend projects/activities and the expenditure to be incurred on the activities, in accordance with the Schedule VII of the Act.

**The terms of reference of the committee are as follows:**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Section 135 of Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- To monitor the CSR Policy of the Company from time to time; and
- Such other Terms of Reference as may be specified from time to time under the Companies Act, 2013, Rules there under and Schedule VII of the Act.



## CORPORATE GOVERNANCE REPORT

### Composition:

The composition of the Corporate Social Responsibility Committee is in compliance with the provisions of Section 135 of the Companies Act, 2013.

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members:

- (i) Mr. Jay M. Mehta, Chairman
- (ii) Mrs. Bhagyam Ramani, Member
- (iii) Mr. Bimal Thakkar, Member
- (iv) Mr. M. S. Gilotra, Member

### Meetings of the Corporate Social Responsibility Committee and attendance during the year:

1 (One) meeting of the CSR Committee was held during the Financial Year ended 31<sup>st</sup> March, 2024. The meeting was held on 25<sup>th</sup> May, 2023.

The attendance of members of CSR Committee at the said meeting was as follows:

Sr. No.	Name of the Member	Category of Director	No. of meetings attended
1.	Mr. Jay M. Mehta, Chairman	Executive Vice Chairman, Non-Independent	1
2.	Mr. M. S. Gilotra, Member	Managing Director, Non-Independent	1
3.	Mrs. Bhagyam Ramani, Member (Ceased to be the Member w.e.f. 1 <sup>st</sup> April, 2024 in view of the reconstitution of the Committee)	Non-Executive - Independent Director	1
4.	Mr. Bimal Thakkar, Member (Ceased to be the Member w.e.f. 1 <sup>st</sup> April, 2024).	Non-Executive - Independent Director	1
5.	Mr. Aman Khanna, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
6.	Mrs. Radhika Samarjitsinh Gaekwad, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-

### E. ALLOTMENT COMMITTEE

Allotment Committee		
Members	Independent Directors	Meetings held during the year
4	3	5

The Committee has been constituted for allotment and post-allotment activities of the Company's shares. The scope of work of this Committee is to approve allotment, issue of share certificate / letter of allotment, offer letter and information memorandum.

## CORPORATE GOVERNANCE REPORT

### The terms of reference of the Committee are as follows:

- a) To recommend to the Board of Directors for issue, offer of company's securities;
- b) To carry out all necessary pre and post allotment activities relating to the allotment;
- c) To issue certificate, letter of offer, and approving such allotment.
- d) To allot shares to all the eligible employees from time to time who will be exercising the options granted to them under Saurashtra Employee Stock Option Scheme 2017.

### Composition:

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members:

- (i) Mr. B. P. Deshmukh, Member
- (ii) Mr. Bimal Thakkar, Member
- (iii) Mrs. Bhagyam Ramani, Member
- (iv) Mr. M. S. Gilotra, Member

### Meetings of the Allotment Committee and attendance during the year:

5 (Five) meetings of the Allotment Committee were held during the Financial Year 2023-24. These meetings were held on 26<sup>th</sup> April, 2023; 14<sup>th</sup> July, 2023; 15<sup>th</sup> September, 2023; 11<sup>th</sup> January, 2024 and 26<sup>th</sup> March, 2024.

The attendance of members of Allotment Committee at the said meetings was as follows:

Sr. No.	Name of the Members	Category of Director	No. of meetings attended
1.	Mr. B. P. Deshmukh, Member (Ceased to be Member w.e.f. 1 <sup>st</sup> April, 2024).	Non-Executive - Independent Director	5
2.	Mr. Bimal Thakkar, Member (Ceased to be Member w.e.f. 1 <sup>st</sup> April, 2024).	Non-Executive - Independent Director	5
3.	Mrs. Bhagyam Ramani, Member (Ceased to be Member w.e.f. 1 <sup>st</sup> April, 2024 in view of the reconstitution of the Committee)	Non-Executive - Independent Director	5
4.	Mr. M. S. Gilotra, Member	Managing Director, Non-Independent	5
5.	Mr. Hemnabh R. Khatau, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Non-Independent	-
6.	Mrs. Radhika Samarjitsinh Gaekwad, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-
7.	Mr. Aman Khanna, Member (Appointed as Member w.e.f. 1 <sup>st</sup> April, 2024 of the reconstituted Committee)	Non-Executive, Independent Director	-

## CORPORATE GOVERNANCE REPORT

### F. FINANCE COMMITTEE

The Committee was constituted for taking decisions on urgent requirements of finance for the operations of the Company and is a non-mandatory committee under the provisions of SEBI (LODR) Regulations and 2015. The Committee was reconstituted effective from 11<sup>th</sup> August, 2021 with additional functions like evaluating various strategic projects / fund raising proposals.

#### Composition:

As on 31<sup>st</sup> March, 2024; the Committee comprised of the following members:

- (i) Mr. Jay Mehta, Member
- (ii) Mr. Bimal Thakkar, Member
- (iii) Mr. K. N. Bhandari, Member
- (iv) Mr. Ashwani Kumar, Member
- (v) Mrs. Bhagyam Ramani, Member
- (vi) Mr. M. S. Gilotra, Member

#### Meetings of the Finance Committee and attendance during the year:

No meetings of the Finance Committee were held during the financial year 2023-24.

The Finance Committee was reconstituted w.e.f. 1<sup>st</sup> April, 2024 comprised of the following members:

- (i) Mr. Jay Mehta, Chairperson (Executive Vice Chairman)
- (ii) Mr. Ashwani Kumar, Member (Independent Director)
- (iii) Mr. M. N. Sarma, Member (Independent Director)
- (iv) Mr. M. S. Gilotra, Member (Managing Director)

## CORPORATE GOVERNANCE REPORT

### GENERAL BODY MEETINGS

#### (a) Details of Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolutions Passed	Dividend Declared
2022-23	17 <sup>th</sup> August, 2023	3.15 p.m	Through Video Conferencing (VC)/ other Audio-visual Means (OAVM) at Mumbai	<ol style="list-style-type: none"> <li>1. To appoint Mr. M. N. Sarma as a Non-Executive, Independent Director for a term of 5 years from 25<sup>th</sup> May, 2023 to 24<sup>th</sup> May, 2028.</li> <li>2. To appoint Mr. Aman Pradeepchand Khanna as Non-Executive, Independent Director for a term of 5 years from 30<sup>th</sup> June, 2023 to 29<sup>th</sup> June, 2028.</li> <li>3. To appoint Mrs. Radhika Samarjitsinh Gaekwad as Non-Executive, Independent Director for a term of 5 years from 30<sup>th</sup> June, 2023 to 29<sup>th</sup> June, 2028.</li> <li>4. Reappointment of Mr. Ashwani Kumar as Non-Executive, Independent Director of the Company for another term of 5 years from 13<sup>th</sup> February, 2024 to 12<sup>th</sup> February, 2029.</li> <li>5. Reappointment of Mr. Jay Mehta, Executive Vice Chairman from 1<sup>st</sup> January, 2024 till 31<sup>st</sup> December, 2026 and payment of remuneration.</li> <li>6. Reappointment of Mr. M. S. Gilotra, Managing Director from 1<sup>st</sup> January, 2024 till 31<sup>st</sup> December, 2026 and payment of remuneration.</li> <li>7. Alteration of the Company's Articles of Association with heading reading "Appointment of Chairman Emeritus"</li> </ol>	NIL
2021-22	26 <sup>th</sup> July, 2022	4.30 p.m.	Through Video Conferencing (VC)/ other Audio-visual Means (OAVM) at Mumbai	No Special Resolutions were Passed	Nil

## CORPORATE GOVERNANCE REPORT

Financial Year	Date	Time	Venue	Special Resolutions Passed	Dividend Declared
2020-21	21 <sup>st</sup> September, 2021	2.30 p.m.	Through Video Conferencing (VC)/ other Audio-visual Means (OVAM) at Mumbai	<ol style="list-style-type: none"> <li>Resolution under Section 14 of the Companies Act 2013 for amendment in the existing para 1 &amp; 3 of Articles 91, existing para 1 of Article 93 and existing para 1 of Article 96.1 of the Articles of Association of the Company, authorizing the Vice Chairman to chair any of the General Meetings (Annual or Extraordinary) in absence of the Chairman of the Company.</li> <li>Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of mortgage /charge on the movable or immovable properties of the Company for an amount not exceeding ₹ 1000 crores.</li> <li>Resolution under Section 180(1)(c) of the Companies Act, 2013 for increase in the borrowing limit from ₹ 400 crores to ₹ 1000 crores.</li> </ol>	Final Dividend of ₹ 0.75 per share on 7,00,47,733 fully paid up Equity Shares of ₹ 10 each for the Financial Year ended 31 <sup>st</sup> March, 2021

**Resolutions passed through Postal Ballot**

No Resolutions were passed through postal ballot.

**Extraordinary General Meetings**

No Extraordinary General Meeting was held during the Financial Year 2023-24.

**MEANS OF COMMUNICATION**

The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, Annual Reports and by placing relevant information on its website.

The unaudited quarterly results (both standalone and consolidated) are announced within forty-five (45) days of the end of the quarter. The audited annual results are announced within sixty (60) days from the end of the financial year, as required under the SEBI (LODR) Regulations. The aforesaid financial results are disseminated to the Stock Exchanges within thirty (30) minutes from the conclusion of the Board meetings at which these are considered and approved. The results are generally published in Business Standard, having nation-wide circulation and in Jaihind, Gujarat which is a regional (Gujarati) daily newspaper.

The audited financial statements form a part of the Annual Report, which is sent to the Shareholders within the statutory period and in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly/half-yearly and the annual audited financial statements and the press releases of the Company are also placed on the Company's website at <https://scl.mehtagroup.com/investors/financials>

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI (LODR) Regulations including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. The said information are intimated to the Stock Exchange within 24 hours of occurrence of event and is also hosted on the website of the Company.

## CORPORATE GOVERNANCE REPORT

## GENERAL SHAREHOLDERS INFORMATION

- The 66<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 21<sup>st</sup> August, 2024.
- Financial Year: 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024.
- Date of Book closure: Thursday, 15<sup>th</sup> August, 2024 to Wednesday, 21<sup>st</sup> August, 2024 (both days inclusive)
- Board Meeting for consideration of unaudited/ audited results

Quarter ending on 30 <sup>th</sup> June, 2023 (Quarter 1)	7 <sup>th</sup> August, 2023
Quarter ending on 30 <sup>th</sup> September, 2023 (Quarter 2)	8 <sup>th</sup> November, 2023
Quarter ending on 31 <sup>st</sup> December, 2023 (Quarter 3)	12 <sup>th</sup> February, 2024
Quarter ending on 31 <sup>st</sup> March, 2024 (Quarter 4)	28 <sup>th</sup> May, 2024

e) **Listing of Equity Shares on Stock Exchange:**

Name and Address of the Stock Exchange	Stock Code	ISIN for NSDL/ CDSL (Dematerialized shares)
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	Security Code: 502175	INE626A01014
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai -400 051.	Scrip Code : SAURASHCEM	

f) **Listing Fees**

Annual listing fee for the Financial Year 2024-25 has been paid by the Company within due dates to BSE Limited and National Stock Exchange of India Limited.

g) **Registrar & Share Transfer Agent**

The Company has appointed M/s. Link Intime India Private Limited as the Registrar and Share Transfer Agent for transfer of securities held in physical form. The Registrar also accepts and attends to complaints of security holders. Their complaints are given top priority by them and are replied promptly.

No complaint received from the Shareholders / Investors as on 31<sup>st</sup> March, 2024 is pending relating to transfer of security.

h) **Share Transfer System**

The share transfer in physical form are processed by the Registrars and Transfer Agents and the share certificates returned within a period of 15 to 20 days from the date of receipt provided that the documents are found to be in order. The shares held in demat form are transferred electronically through the depositories, i.e. CDSL & NSDL.

i) **Distribution of Shareholding as on 31<sup>st</sup> March, 2024:**

Sr. No.	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	47766	88.7399	44,02,060	3.9664
2	501 to 1000	2808	5.2167	21,54,496	1.9413
3	1001 to 2000	1449	2.6920	21,90,966	1.9742

## CORPORATE GOVERNANCE REPORT

Sr. No.	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
4	2001 to 3000	458	0.8509	11,70,456	1.0546
5	3001 to 4000	310	0.5759	10,74,502	0.9682
6	4001 to 5000	266	0.4942	12,59,723	1.1351
7	5001 to 10000	371	0.6892	27,13,436	2.4449
8	10001 to above	399	0.7413	9,60,16,904	86.5153
	<b>TOTAL :</b>	<b>53827</b>	<b>100</b>	<b>11,09,82,543</b>	<b>100</b>

j) Shareholders Profile as on 31<sup>st</sup> March, 2024:

Category	No. of share-holders	%	No. of shares held	%
Promoter Group Companies	7	0.01	6,96,05,201	62.72
Bodies Corporate	1502	2.79	38,95,310	3.51
NRIs	629	1.17	4,22,335	0.38
FIs	2	0.00	865	0.00
UTI & Insurance Companies	4	0.01	1,37,090	0.12
Banks	5	0.01	1,150	0.00
Mutual Fund	1	0.00	100	0.00
Foreign Companies	1	0.00	24,59,999	2.22
Indian Public	51676	96.00	3,44,60,493	31.05
<b>Total</b>	<b>53827</b>	<b>100</b>	<b>11,09,82,543</b>	<b>100</b>

## k) Dematerialization of shares

As on 31<sup>st</sup> March, 2024; 11,07,54,209 equity shares constituting 99.80 % of the Company's total share capital were held in dematerialized form with NSDL and CDSL.

## l) Stock Market price data for the period 2023-24

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low (₹)	Volume(₹)	High (₹)	Low (₹)	Volume (₹)
April 2023	61.80	48.65	2,27,046	--	--	--
May 2023	66.98	56.00	5,23,089	--	--	--
June 2023	72.95	59.50	13,41,833	--	--	--
July 2023	63.60	58.00	18,38,372	--	--	--
August 2023	79.00	58.90	57,47,430	--	--	--
September 2023	84.40	73.07	33,75,850	--	--	--
October 2023	92.50	75.10	48,63,961	--	--	--
November 2023	87.00	76.85	26,21,093	--	--	--
December 2023	107.50	86.50	69,19,387	--	--	--
January 2024	103.40	92.00	42,99,822	--	--	--

## CORPORATE GOVERNANCE REPORT

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low (₹)	Volume(₹)	High (₹)	Low (₹)	Volume (₹)
February 2024(*)	125.00	99.05	61,72,514	124.50	109.00	3,35,307
March 2024	123.20	97.90	10,68,955	123.20	97.00	2419362

(\*) The Company's securities was also listed with National Stock Exchange of India Limited effective from 27<sup>th</sup> February, 2024.

## m) Performance in comparison to broad-based indices is given below:

Indices	BSE (Sensex)	SCL Quote at BSE (₹)
1 April, 2023 (Open)	59,131.16	50.50
31 March, 2024(Closed)	73,651.35	105.70
Increase / (Decrease)	14,520.19	55.20
% Increase / (Decrease)	19.71	52.22

## n) Plant Location (Cement division):

- Near Railway Station, Ranavav, Dist: Porbandar, Gujarat 360550.
- Sidheegram, PO - Prashnavada BO, Via Sutrapada SO (Taluka), District : Gir Somnath, Veraval, Gujarat, 362275.

## Plant Location (Paint division):

- Plot No.E-6, MIDC, Tal: Sinnar, Malegaon Nashik, Maharashtra 422103.
- F 3,4,18,19,20, Industrial Area, Gotan, Nagaur Rajasthan 342902.
- Plot No.B-60 & 61, SIPCOT Industrial Estate Gummidipoondi, Tiruvallur Tamil Nadu 601201.

## o) Address for correspondence

**Registered Office**

Near Railway Station  
Ranavav – 360550.Dist: Porbandar, Gujarat.

**Corporate Office**

2<sup>nd</sup> Floor, N.K. Mehta International House  
178 Backbay Reclamation  
Mumbai - 400 020.  
E-mail ID: [scl-mum@mehtagroup.com](mailto:scl-mum@mehtagroup.com)

## CORPORATE GOVERNANCE REPORT

### Shareholder correspondence should be addressed to Registrars & Transfer Agent

#### M/s. Link Intime India Pvt Ltd

(Unit: Saurashtra Cement Limited)

C 101, 247 Park,

L.B.S. Marg, Vikhroli (West)

Mumbai – 400 083.

Tel. 022- 49186000,

Fax : 022- 49186060

Contact Person : Mr. Satyan Desai

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

A separate e-mail ID: [sclinvestorquery@mehtagroup.com](mailto:sclinvestorquery@mehtagroup.com) is specifically available for investor query / complaints. All the shareholders are requested to upload their queries, if any on the authorized email-id.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of Bank Account / Bank nomination, etc.

#### p) **Mandatory requirement**

SEBI has made mandatory that Investors holding securities in physical mode are required to submit a copy of the PAN Card, Proof of address, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination in the prescribed forms to the Registrar & Transfer Agent for processing request for (a) issue of duplicate share certificate, (b) replacement / renewal / exchange of share certificate, (c) consolidation of share certificate, (d) sub-division / splitting of share certificate, (e) consolidation of folios, (f) endorsement, (g) change in the name of the holder, (h) change in status from minor to major and resident to NRI and vice versa, (i) claim for undelivered share certificate, prior to its transfer unclaimed suspense account, (j) claim from unclaimed suspense (demat) account, (k) transmission and (l) transposition.

### OTHER DISCLOSURES

#### A. **Related Party Transactions**

All the related party transactions are strictly carried out on arm's length basis. The Company places all the relevant details of a related party transaction, entered in the normal course of business, before the Audit Committee from time to time. There were no material related party transaction, which were not in the normal course of the business and had any potential conflict with the Company, entered into by the Company during the year.

Transactions with related parties are mentioned in Note No. 39 of Notes forming part of financial statements.

The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company at <https://scl.mehtagroup.com/policy/related-party-transactions-policy>

#### B. **Non-Compliances/ Penalties & Strictures**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three (3) years.

#### C. **Disclosure of Accounting Treatment**

Your Company has followed the Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

#### D. **Disclosure on Risk Management**

The Company has laid down procedures on the risk assessment and minimization procedures, which is periodically reviewed by the Company.

## CORPORATE GOVERNANCE REPORT

### E. **Vigil Mechanism / Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal and unethical behavior. The Company has formulated a Vigil Mechanism and Whistle Blower Policy pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI LODR Regulations, under which employees are free to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee.

The Whistle Blower Policy is uploaded on the website of the Company at <https://scl.mehtagroup.com/policy/whistle-blower-policy>.

The Policy was amended by the Board in line with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 to provide for whistle blowing in case of leak or suspected leak of unpublished price sensitive information.

The directors and employee(s) may approach the Audit Committee in the first instance or after bringing it to the attention of the management and not being addressed to the concerned person's satisfaction.

The name and e-mail address of the Chairman of the Audit Committee is given below:

Name of the Chairman	Address	Contact No.(s)
Mr. Ashwani Kumar w.e.f. 1 <sup>st</sup> April, 2024	Saurashtra Cement Limited 2 <sup>nd</sup> Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.	022-66365444 <a href="mailto:scl-mum@mehtagroup.com">scl-mum@mehtagroup.com</a>

This policy is applicable to all the directors and employees of the Company.

### F. **Code of Conduct**

The Company has formulated a comprehensive Code of Conduct for its Board members, employees and business partners that requires strict adherence to our corporate values while delivering a world-class customer experience. All the members of the Board and Senior Management Personnel have affirmed compliance with the code of conduct as on 31<sup>st</sup> March, 2024. A declaration to the effect, confirming the same signed by the Managing Director and the senior management of the Company, forms part of this Report.

### G. **Policy for preservation of documents**

The Company has a policy for preservation of documents in place. The said policy is available at web-link [https://scl.mehtagroup.com/policy/scl\\_policy-for-preservation-of-documents](https://scl.mehtagroup.com/policy/scl_policy-for-preservation-of-documents)

### H. **Policy for determination of material events**

The Company has a policy for determination of material events and price sensitive information in place. The said policy is available at web-link [https://scl.mehtagroup.com/policy/scl\\_policy-for-determination-of-event](https://scl.mehtagroup.com/policy/scl_policy-for-determination-of-event)

### I. **Policy for determining material subsidiaries**

The Company has a policy for determination of material events and price sensitive information in place. The said policy is available at web-link <https://scl.mehtagroup.com/policy/material-subsiary-policy>

### J. **Code of Conduct for Prohibition of Insider Trading**

In accordance with Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, ("Insider Trading Regulations"), the Company has put in place a Code which provides for procedure



## CORPORATE GOVERNANCE REPORT

to be followed by Designated Persons for trading in securities of the Company including pre-approval, reporting and restrictions on contra trading. The Code also contains processes to ensure safeguards against leakage of Unpublished Price Sensitive information ("UPSI") of the Company.

The Company has a policy for Prohibition of Insider Trading. The said policy is available at web-link <https://scl.mehtagroup.com/policy/code-of-conduct-for-insider-trading>

### K. **Policy and Procedure for Enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information**

The Company has a policy for enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information. The said policy is available at web-link <https://scl.mehtagroup.com/policy/policy-and-procedure-for-enquiry-in-case-of-leak-of-upsi>

### L. **Policy and Procedure for sharing of Unpublished Price Sensitive Information for Legitimate Purpose**

The Company has a policy for sharing of Unpublished Price Sensitive Information for Legitimate purposes. The said policy is available at web-link <https://scl.mehtagroup.com/policy/codes-of-fair-disclosure-and-conduct>

### M. **CEO / CFO Certification**

Certificate from the Executive Vice Chairman, Managing Director and CFO on the Audited / Unaudited Financial Statements of the Company for each quarter and annual financial results were placed before the Board.

### N. **Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace**

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Detailed mechanism has been laid down in the policy for reporting of cases of sexual harassment to 'Internal Complaints Committee' constituted under this policy comprising senior officials (including senior women employee) of the Company and an independent member from NGO, for conducting of inquiry into such complaints, recommending suitable action during the pendency and/or completion of the inquiry including strict disciplinary action including termination of the services.

During the Financial Year 2023-24, the Company had not received any complaints of sexual harassment.

## OTHER DISCLOSURES

### 1. **Details of utilization of funds raised through preferential allotment of qualified institutions placement as specified under regulation 32(7A).**

N.A.

### 2. **A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the Board /Ministry of Corporate Affairs or any such statutory authority.**

The said certificate received from M/s. Ragini Chokshi & Co, practicing Company Secretaries forms part of the Directors Report as **Annexure D**.

### 3. **Secretarial Compliance Report**

The Company has received Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2024 from M/s. Ragini Chokshi & Co, Practicing Company Secretaries, pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 and forms part of the Directors Report as **Annexure J**.

## CORPORATE GOVERNANCE REPORT

### 4. **Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.**

The Board has accepted all the recommendations from the Committees.

### 5. **Total fees for all the services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.**

During the year, the Company has paid total fees of ₹ 31.96 lakhs to the Statutory Auditor.

### 6. **Disclosures with respect to demat suspense account / unclaimed suspense account.**

The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: **None**
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **None**
- Number of shareholders to whom shares were transferred from suspense account during the year: **None**
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: **None**
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **N.A.**
- The security of the Company was never suspended from trading during the year 2023-24.

## NON-MANDATORY REQUIREMENTS

### (a) **Chairman's Office:**

The Corporate Office of the Company supports the Chairman in discharging the responsibilities.

### (b) **Shareholders Rights:**

As the Company's quarterly results are published in English Newspaper having circulation all over India and in a Gujarati Newspaper widely circulated in Gujarat, the same are not sent to each Shareholder.

### (c) **Auditor's Opinion:**

The Company's Standalone and Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024 does not have any qualification.

### (d) **Separate posts for Chairperson and chief Executive Officer:**

The position of the Chairman of the Board of Directors and the CEO are separate.

### (e) **Reporting of internal auditor:**

Internal Auditor reports directly to the Audit Committee.

## CORPORATE GOVERNANCE REPORT

### (f) Code for Prohibition of Insider Trading:

Pursuant to the requirements of Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a "Code for Prevention of Insider Trading". The said Code of Conduct has been revised in accordance with the SEBI (Insider Trading) Regulations, 2018. The Company Secretary is the "Compliance Officer". The Code of Conduct is applicable to all Directors and designated persons as defined in the Code of Conduct.

### SUBSIDIARY COMPANIES

There is no material non-listed Indian Subsidiary Company as on 31<sup>st</sup> March, 2024 requiring appointment of Independent Director of the Company on the Board of Directors of the subsidiary companies.

#### On behalf of the Board of Directors

**Jay M. Mehta**  
Executive Vice Chairman  
(DIN: 00152072)

**M. S. Gilotra**  
Managing Director  
(DIN: 00152190)

Place: Mumbai  
Date: 28<sup>th</sup> May 2024

### DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management have confirmed compliance with the Code of Conduct and Ethics for the Financial Year ended 31<sup>st</sup> March, 2024.

#### On behalf of the Board of Directors

**Jay M. Mehta**  
Executive Vice Chairman  
(DIN: 00152072)

**M. S. Gilotra**  
Managing Director  
(DIN: 00152190)

Place: Mumbai  
Date: 28<sup>th</sup> May 2024

## CORPORATE GOVERNANCE REPORT

To,  
The Members,  
**SAURASHTRA CEMENT LIMITED**

We have examined the compliance of the conditions of Corporate Governance by **SAURASHTRA CEMENT LIMITED** ('the Company') for the financial year ended March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2024.

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

**For Ragini Chokshi & Co.**  
(Company Secretaries)

**Ragini Chokshi**  
(Partner)

**COP no. 1436**

**Membership no: 2390**

**UDIN: F002390F000336889**

**PR Certificate no.: 659/2020**

**Place:** Mumbai  
**Date:** 09.05.2024

## Annexure C

**Disclosures pursuant to change in designation of directors and also pertaining to Directors seeking appointment / reappointment at the 66<sup>th</sup> Annual General Meeting (as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Name of Director	Mr. Hemang D. Mehta	Mr. Viren Ajitkumar Merchant	Mr. Mahendra N. Mehta	Mr. Jay Mehta
DIN	00146580	00033464	00632865	00152072
Item No	3	5	7	8
Date of Birth	6 <sup>th</sup> March, 1955	15 <sup>th</sup> October, 1965	20 <sup>th</sup> March, 1932	18 <sup>th</sup> January, 1961
Date of first Appointment	Initially joined the Board on 16 <sup>th</sup> April, 1993 and was reappointed last on 26 <sup>th</sup> July 2022	28 <sup>th</sup> May 2024	Initially, he joined the Board of the Company in October 1974 and was reappointed as a Chairman on 15 <sup>th</sup> October, 2004	Initially, he joined the Board in December 1987 and was re-appointed in the current term with effect from 1 <sup>st</sup> January, 2024
Qualification	Graduated from the University of Manchester Institute of Science and Technology Science and Technology Manchester Business School	Pursued Higher Education at Kent State University in Kent, Ohio.	Industrialist	Graduated in Industrial Engineering from Columbia University in 1983 and has completed MBA from The International Institute of Management Development (IMD) in Lausanne, Switzerland.
Expertise in specific General Functional area	Expertise in Corporate and Operational Management in the cement industry and in plastics and packaging Industry. He has worked in India, Kenya, Canada and U.S.A.	Mr. Viren Ajitkumar Merchant, has an experience over 17 years and has an expertise in Business Management. He is the Vice-Chairman & C. E. O. of Encore Healthcare Pvt. Ltd., a leading manufacturer of tablets, capsules and syrups.	He completed his schooling in India and then joined the family business at the age of 19 years in East Africa. He has over six decades of entrepreneurial experience. He is the motivating force behind the Group.	Has about 3 decades of experience in overall management of the Company.
Terms and conditions of appointment or re-appointment	Nil	The details are provided in the resolution and explanatory statement of item No.5 of the Notice.	The details are provided in the resolution and explanatory statement of item No.7 of the Notice.	The details are provided in the resolution and explanatory statement of item No.8 of the Notice.

Name of Director	Mr. Hemang D. Mehta	Mr. Viren Ajitkumar Merchant	Mr. Mahendra N. Mehta	Mr. Jay Mehta
Details of remuneration last drawn (FY 2023-24)	Details of sitting fees paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.	Nil	Details of sitting fees paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.	Details of remuneration paid is provided in the report of Corporate Governance Report forming part of the Annual Report for the FY 2023-24.
List of outside Directorships held in Listing Entities	Nil	ADF Foods Limited	Nil	ADF Foods Limited.
Chairman / Member of the Committee of the Board of Directors of the Company	Nil	Nil	Nil	Chairman of CSR Committee and Member of Stakeholders Relationships & Grievances Committee and also of Finance Committee
Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a Director				
a) Audit committee	Nil	Member	Nil	Nil
b) Shareholders Relationship Committee	Nil	Chairman	Nil	Nil
Relation with other Directors & Key Managerial Personnel (KMP) of the Company	Nil	Nil	Mr. Mahendra N. Mehta is the father of Mr. Jay Mehta.	Mr. Jay Mahendra Mehta is the son of Mr. Mahendra N. Mehta
Shares held by the Directors in the Company	95,584	Nil	Nil	43,730

## Annexure D

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

To,  
The Members of,  
**SAURASHTRA CEMENT LIMITED**

NR Railway Station, Ranavav Gujarat- 360550

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SAURASHTRA CEMENT LIMITED** having CIN:L26941GJ1956PLC000840 and having registered office at NR Railway Station, Ranavav Gujarat- 360550 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Baburao Deshmukh Prataprao (*)	00002357	30/08/2012
2	Kailash Nath Bhandari(*)	00026078	28/10/2005
3	Muttavarapu Nageswara Rao(*)	00027131	15/10/2004
4	Bimal Ramesh Thakkar(*)	00087404	29/04/2009
5	Bhagyam Ramani	00107097	30/05/2014
6	Hemang D Mehta	00146580	15/10/2004
7	Jay Mahendra Mehta	00152072	15/10/2004
8	Mohinderpal Singh Gilotra	00152190	01/01/2009
9	Mahendra Nanjibhai Mehta	00632865	15/10/2004
10	Hemnabh Ranvir Khatau	02390064	25/10/2008
11	Ashwani Kumar	02870681	13/02/2019
12	Aman Pradeepchand Khanna	10211441	30/06/2023
13	Radhika Samarjitsinh Gaekwad	05129326	30/06/2023
14	Nagaraja Sarma Maddipatla	06734357	25/05/2023

(\*) Ceased to be the Independent Directors effective from 1.4.2024.

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

**For Ragini Chokshi & Co**  
(Company Secretaries)  
Firm Registration No.: 92897

Ragini Chokshi  
(Partner)  
C.P. No.: 1436  
FCS No.: 2390  
UDIN:F002390F000336955  
PR Certificate no.: 659/2020

Place: Mumbai  
Date: 09.05.2024

## Annexure E

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are given below:

a. **Ratio of the remuneration of each Director / KMP to the median remuneration of all the employees of the Company for the Financial Year:**

Median remuneration of all the employees of the Company for the Financial Year 2023-24	675605
Percentage increase in the median remuneration of employees in the Financial Year	7.84%
Number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March 2024	790

Name of Director and KMP	Ratio of remuneration to median remuneration of all employees(a)	% increase in remuneration in the Financial Year 2023-24	Notes
<b>Executive Director</b>			
Mr. Jay Mehta, Executive Vice Chairman	113.32 : 1	3.00%	
Mr. M. S. Gilotra, Managing Director	78.56 : 1	3.00%	(#) and (@)
<b>Other KMPs</b>			
Mr. V. R. Mohnot, Chief Finance Officer	34.05 : 1	8.43%	(@)
Ms. Sonali Sanas, Chief Legal Officer, CS & Strategy	21.03: 1	14.41%	(@)

(a) The ratio of remuneration to the median remuneration is based on the remuneration paid during the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.

(#) In accordance with all applicable approvals; includes payment of HRA in place of rent free accommodation.

(@) Employees who were granted and exercised options in the form of ESOPs in the year 2023-24 are not included else the data would have been non-comparable.

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

The average percentage increase in the remuneration of employees is around 13.57%. The increase in remuneration includes the increments and the additional cost of joining of the new employees. Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel is in line with the industry practice and is within the normal range.

c. **The remuneration is as per the remuneration policy of the Company.**



Annexure F

**SAURASHTRA CEMENT LIMITED  
ANNUAL REPORT ON CSR ACTIVITIES**

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

Corporate Social Responsibility (CSR) is a broad concept that can take many forms depending on the Company and industry. Through CSR programs, philanthropy, and volunteer efforts, businesses can benefit society while boosting their brands.

As important as CSR is for the community, it is equally valuable for a company. CSR activities can help forge a stronger bond between employees and corporations, boost morale and help both employees and employers feel more connected with the world around them.

Your Company is sensitive towards society and the environment and ensure minimal impact of its operations. Your Company's CSR initiatives focus on areas such as health, education, drinking water, environment, and rural development. These initiatives aim to create long-term value and are implemented for community members, irrespective of their gender, ethnicity and religious background. Your Company also supported the District Administration in reducing the impact of the recent pandemic.

**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.	Mr. Jay M. Mehta, Chairman	Executive Vice Chairman	1	1
2.	Mr. Bimal Thakkar, Member	Independent Director	1	1
3.	Mrs. Bhagyam Ramani, Member	Independent Director	1	1
4.	Mr. M.S. Gilotra, Member	Managing Director	1	1

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

The Composition of the CSR Committee is available at <https://scl.mehtagroup.com/committee> and CSR Policy is available at <https://scl.mehtagroup.com/policy/csr-policy>

**4. Provide the executive summary along with web-link(s) 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. a Average net profit of the company as per section 135(5).**

₹ 2641.88 lakhs

**5. b Two percent of average net profit of the Company as per section 135(5)**

₹ 52.84 lakhs

**5. c Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**

Nil

**5. d Amount required to be set off for the financial year, if any.**

Nil

**5. e Total CSR obligation for the financial year (b+c-d).**

₹ 55.34 lakhs

**6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in ₹ lakhs).	(8) Amount spent in the current financial Year (in ₹ lakhs).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Educational activities	As specified in Item (ii) of Schedule VII Donation made to Trust to provide Hands-on learning methodology (Integrated & Inter-disciplinary teaching & learning), Enhancement of Hostel facilities (Wash-areas; bed-sheets; mattresses provision of Hygiene and Sanitation (Washrooms, RWH, Drainage etc), Preservation of heritage infrastructure (Repairs & Renovation), Added ICT facilities (Schools & college) and added sports & games facilities (various types of Courts, running tracks etc)	Yes	Gujarat	Porbandar	3 Years	30.00	30.30	-	No	Raj Ratna Sheth Shri Nanjibhai Kalidas Mehta Anja Kanya Vidyalaya Trust	CSR00007072
	<b>TOTAL</b>						<b>30.00</b>	<b>30.30</b>				

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).		(5) Location of the project.		(6) Amount spent for the project (in ₹ lakhs).	(7) Mode of implementation Direct (Yes/No).	(8) Mode of implementation – Through implementing agency.	
			State.	District.	State.	District.			Name.	CSR registration number.
1.	Educational activities	As specified in Item (i) of Schedule VII Amount paid for running Gujarati medium primary school named Shri Saurashtra Cement Vidya Vihar, Ranavav and for installation of rides in the school	Yes	Yes	Gujarat	Ranavav (Porbandar)	19.17	No	N.A.	Shree Saurashtra Cement Educational Trust – (CSR00007161)
2	Rural Development Projects	As specified in Item (x) of Schedule VII <ul style="list-style-type: none"> <li>Water conservation projects, Desilting work, Deepening of dams, rivers etc.</li> <li>Skill development &amp; education, vocational skill enhancement courses, nursing capsule course and first aid management for girls under women empowerment for local communities, disabled people, educational support for locals etc.</li> <li>Development of road, provision of water tank, water pipeline, bore well, electric water pump and related accessories etc</li> </ul>	Yes	Yes	Gujarat	Porbandar	4.35	Yes	N.A.	N.A.
3	Health Projects	As specified in Item (i) of Schedule VII Distribution of Nutritional kit to TB patients in Porbandar District	Yes	Yes	Gujarat	Porbandar	1.52	Yes	N.A.	N.A.

(c) Amount spent in Administrative Overheads - Nil

(d) Amount spent on Impact Assessment, if applicable- Nil

(e) Total amount spent for the Financial Year - ((a)+(b)+(c)) - ₹ 55.34 lakhs

6. f CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
55.34 lakhs	N.A.	N.A.	N.A.	N.A.	N.A.

6. g Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	52.84
(ii)	Total amount spent for the Financial Year	55.34
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.50
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of 135 (in ₹)	Balance Amount in Unspent CSR account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per second proviso of sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer.		
1.	2020-21				Not Applicable			
2.	2021-22				Not Applicable			
3.	2022-23				Not Applicable			
	<b>TOTAL</b>							

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year.**

No

If yes, enter the number of Capital assets created / acquired.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

Sr. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					1	2	3
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no. house no, Municipal Office/ Municipal Corporation/Gram panchayat are to be specified and also the area of the immoveable property as well as boundaries)

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section 5 of Section 135. N.A.**

**Jay Mehta**  
Chairman-CSR Committee  
DIN: 00152072

**M. S. Gilotra**  
Managing Director  
DIN:00152190

Place : Mumbai  
Date : 28<sup>th</sup> May 2024

**Annexure G**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

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

(For the Financial Year Ended 31<sup>st</sup> March 2024)

To,  
**The Members,**  
**SAURASHTRA CEMENT LIMITED**  
Near Railway Station, Porbandar,  
Ranavav, Gujarat- 360 550

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAURASHTRA CEMENT LIMITED (CIN: L26941GJ1956PLC000840)** (hereinafter called the "Company") for the financial year ended 31<sup>st</sup> March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon;

Based on our Verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering April 01, 2023 to March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period **April 01, 2023 to March 31, 2024** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not Registrar to an Issue and Share Transfer Agent during the financial year)**

- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable as the Company has not bought back any of its securities during the Audit Period)**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The Mines Act, 1952 and Mines Rules, 1955;
2. Metalliferous Mines Regulation (MMR-1961);
3. The Limestone & Dolomite Mines Labour Welfare Fund Act, 1972 & Rules, 1973;
4. Mineral Conservation & Development Rules, 2017;
5. Cement Cess Rule, 1993
6. Cement (Quality Control) Order, 2003.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 "SEBI (LODR)".

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**We further report that**

- The Board of Directors of the Company is duly in the compliance with the provision 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 seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.

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

The Compliance by the company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax has not been reviewed in the audit since the same has been subject to their view by the statutory financial audit and other designated professionals.

**We further report that** during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. The Share Allotment Committee of the Board of Directors has issued and allotted 54,009,641 new equity shares at Face Value of ₹ 10 each on April 26, 2023 to the shareholders of Gujarat Sidhee Cement Limited pursuant to NCLT order dated 16.03.23.

2. The Share Allotment Committee of the Board of Directors has allotted 29,969 equity shares at Face Value of ₹ 10 each on July 14, 2023 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
3. The Share Allotment Committee of the Board of Directors has allotted 10,000 equity shares at Face Value of ₹ 10 each on September 15, 2023 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
4. The Share Allotment Committee of the Board of Directors has allotted 1,56,558 equity shares at Face Value of ₹ 10 each on January 11, 2024 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
5. The Share Allotment Committee of the Board of Directors has allotted 56,473 equity shares at Face Value of ₹ 10 each on March 26, 2024 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
6. Alteration of the Articles of Association of the Company by insertion of Article 176A under a new Clause XXVA with new heading reading "Appointment of Chairman Emeritus".
7. Appointment of Directors on the Board of the Company:
  - a) Mrs. Radhika Samarjitsinh Gaekwad as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from June 30, 2024 to June 29, 2028.
  - b) Appointment of Mr. Aman Khanna as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from June 30, 2023 to June 29, 2028.
  - c) Mr. M. N. Sarma as Non-Executive, Independent Director of the Company to hold a term of five (5) consecutive years from May 25, 2023 to May 24, 2028.
8. Re-Appointment of Directors on the Board of the Company:
  - a) Mr. M. S. Gilotra as the Managing Director from January 01, 2024 till December 31, 2026
  - b) Mr. Jay Mehta as the Executive Vice Chairman of the Company for a period of 3 (three) years from January 01, 2024 upto December 31, 2026
  - c) Mr. Ashwani Kumar as Non-Executive, Independent Director for another term of five (5) consecutive years with effect from February 13, 2024 to February 12, 2029.
9. Approval from National Stock Exchange of India Ltd for listing and trading of company's equity shares and the equity shares were made available for trading effective from February 27, 2024.
10. Appointment of M/s. V.J. Talati & Co, Cost Accountants as Cost Auditors of the Company for the Financial Year ending March 31, 2024

**For Ragini Chokshi & Co.  
(Company Secretaries)**

**Ragini Chokshi  
(Partner)**

**C. P. No. 1436**

**FCS No. 2390**

**UDIN: F002390F000336845**

**PR Certificate no.: 659/2020**

**Date: 09.05.2024**

**Place: Mumbai**

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



**Annexure "A"**

To  
The Members,  
**Saurashtra Cement Limited,**  
Near Railway Station, Ranavav,  
Porbandar, Gujarat,  
India, 360550.

Our Secretarial Audit Report for the Financial Year ended on March 31, 2024 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Bank. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we follow, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
4. Wherever required, we have obtained the Management representation about the compliance with laws, rules and regulations and happening of events etc.
5. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Bank.

**For Ragini Chokshi & Co.**  
**(Company Secretaries)**  
**Firm Registration No. 92897**

**Ragini Chokshi**  
**(Partner)**  
**C. P. No. 1436**  
**FCS No. 2390**  
**UDIN: F002390F000336845**  
**PR Certificate No.: 659/2020**

**Date: 09.05.2024**  
**Place: Mumbai**

**Annexure H**

**The disclosures as required as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI Requirements are given below:**

No. of Options outstanding at the beginning of the period (1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024)	5,57,738
No. of Options exercised during the year	2,53,000
No. of shares arising as a result of exercise of options	2,53,000
No. of Options forfeited/lapsed during the year	Nil
Exercise Price	₹ 10/- per option
Option cancelled	Nil
Variation of terms of Option	None
Money realized by exercise of options	₹ 25,30,000/-
No. of options in force (outstanding) at the end of the year	3,04,738
No. of options in force (exercisable) at the end of the year	3,04,738

**Employee wise details granted to :****Key Managerial Personnel**

Name	Designation	No. of Options vested on 8 <sup>th</sup> February 2019, 8 <sup>th</sup> February 2020 and 8 <sup>th</sup> February 2021	No. of options exercised	No. of shares allotted
M. S. Gilotra	Managing Director	3,45,955	3,08,330	3,08,330
V. R. Mohnot	Chief Finance Officer	2,78,442	2,78,442	2,78,442
Narendra Singh	Chief Manufacturing Officer	1,79,917	1,18,746	1,18,746
Sonali Sanas	Chief Legal Officer, CS & Strategy	79,536	79,536	79,536

Employees to whom more than 5% options granted during the year:

Name	Designation	Number of Options granted
NIL		

**Utilisation of Funds:**

During the year, the Company has utilized the entire amount of ₹ 25,30,000/- received towards allotment of shares to the eligible employees under Saurashtra Employee Stock Option Scheme 2017 towards working capital of the Company.

## Annexure I

**COMPLIANCE CERTIFICATE**

[Pursuant to Regulation 13 of the Securities Exchange Board of India  
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,

**The Members,**

**Saurashtra Cement Limited**

We, Ragini Chokshi & Co., Practising Company Secretary firm, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on May 25, 2023 by the Board of Directors of Saurashtra Cement Limited (hereinafter referred to as '**the Company**'), having CIN L26941GJ1956PLC000840 and having its registered office at Near Railway Station, Porbandar, Ranavav, Gujarat- 360550. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as '**the Regulations**'), for the year ended March 31, 2024.

**Management Responsibility:**

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising 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.

**Verification:**

The Company has implemented Saurashtra Employee Stock Option Scheme, 2017 in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on July 26, 2017.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed at the General Meeting(s);
5. Minutes of the meetings of the Nomination and Remuneration Committee;
6. Detailed terms and conditions of the scheme as approved by Nomination and Remuneration Committee;
7. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
8. Disclosure by the Board of Directors;
9. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder; as sought and made available to us and the explanations provided by the Company.

**Certification:**

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Saurashtra Employee Stock Option Scheme, 2017 in accordance with the applicable provisions of the Regulations and Resolution of the Company in the General Meeting.

**Assumption & Limitation of Scope and Review:**

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

**For Ragini Chokshi & Co.  
(Company Secretaries)**

**Ragini Chokshi  
(Partner)**

**C. P. No. 1436**

**FCS No. 2390**

**PR No.: 659/2020**

**UDIN: F002390F000376676**

**Date: 15.05.2024**

**Place: Mumbai**

## Annexure J

**SECRETARIAL COMPLIANCE REPORT  
of SAURASHTRA CEMENT LIMITED  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Under Regulation 24A of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined:

- (a) all the documents and records made available to us and explanation provided by **SAURASHTRA CEMENT LIMITED** ("the listed entity"),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 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 thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and as amended from time to time; **(Not Applicable to the Company during the Audit Period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and as amended from time to time;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and as amended from time to time;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;
- (h) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 **(To the extent applicable)**; and circulars/ guidelines issued thereunder;

We hereby report that, during the Review Period, the Compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS
1	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	None
2	<b>Adoption and timely updation of the Policies:</b> <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	None
3	<b>Maintenance and disclosures on Website:</b> <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	None
4	<b>Disqualification of Director:</b> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	None
5	<b>Details related to Subsidiaries of listed entities have been examined w.r.t:</b> <ol style="list-style-type: none"> <li>(a) Identification of material subsidiary companies</li> <li>(b) Disclosure requirements of material as well as other subsidiaries</li> </ol>	Yes	None
6	<b>Preservation of Documents:</b> 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.	Yes	None
7	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations	Yes	None

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS
8	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes  NA	None
9	<b>Disclosure of events or information:</b> 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.	Yes	None
10	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	None
11	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No Action (s) has been 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.	Yes	None
12	<b>Additional Non-compliances, if any:</b> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	None

**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	Not applicable during the period under review
	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	Not applicable during the period under review

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
	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	Not applicable during the period under review
2	<b>Other conditions relating to resignation of statutory auditor</b>		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: 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. 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. 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.	NA	Not applicable during the period under review
	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.	NA	Not applicable during the period under review
3	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the form as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019.	NA	Not applicable during the period under review



- (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	Deviations	Action taken by	Type of action	Details of violation	Fine Amount	Observations/ Remarks of The Practicing Company Secretary	Management response	Remarks
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There are no such matters during the year under review.

- (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	Deviations	Action taken by	Type of action	Details of violation	Fine Amount	Observations/ Remarks of The Practicing Company Secretary	Management response	Remarks
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There are no such matters during the year under review.

**For Ragini Chokshi & Co.  
(Company Secretaries)  
Firm Registration No. 92897**

**Ragini Chokshi  
(Partner)  
C. P. No. 1436  
FCS No. 2390  
UDIN: F002390F000337054  
PR Certificate no.: 659/2020**

**Date: 09.05.2024  
Place: Mumbai**

## Annexure K

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

### A. CONSERVATION OF ENERGY:

#### a) Steps taken or impact on Conservation of Energy:

- Increase Fly ash (29.71%) absorption in PPC Cement resulting in lower clinker factor and carbon emission.
- Increase Slag (33.43%) absorption in PSC Cement resulting in lower clinker factor and carbon emission.
- Maintain power factor above 96% for Power saving.
- Installation of VFD for power saving.
- Old conventional motor replaced with IE3 energy efficient motor for power saving.
- Installation of ILC TAD's damper to improve operation & reduction in power consumption of ILC fan.
- Retrofit jobs in IKN KIDS portion to improve the Recuperation Efficiency.
- Retrofit jobs in process fans & cooler fan to improve the fan efficiency & reduction in power consumption of fans.
- Retrofit of bag filter & its ducting of Coal Mill-3, to increase the productivity/throughput of Coal Mill-3.
- Process Audit & its implementation in cement mills resulting in reduction in energy consumption of cement mills.
- Separate coal firing FK Pump for Kiln, for separate fuel firing in main burner.

#### b) Steps taken by the Company for utilising alternate sources of energy:

- Modification of liquid AFR firing system.
- Installation of Solid AFR feeding system in SLC Line.

#### c) The capital investment on energy conservation equipment:

- Capital invested for items mentioned in (a) and (b) above during the year was ₹ 50 lacs.

### B. TECHNOLOGY ABSORPTION:

#### a) Efforts made towards technology absorption:

- Replacement of old LRS for CM#1 twin drives for HT motors.
- Cement 2 IMCC installation by removing old and discarded MCC.
- New Grease spray system installed in coal mill-2 pinion lubrication.
- KIMA smart fill installation & commissioned for cement mill 3.
- Automated Bulk loading with weighing system for enhancement of bulk Cement dispatch.

6. Use of sweeper machine for road cleaning work.
  7. Use of cherry picker also known as a boom lift or aerial work platform for safely reach height related work.
- b) Benefits derived like product improvement, cost reduction, product development or import substitution:
- i. Usage of Cheaper & Low calorie fuel in plant as well as in TPP.
  - ii. Used cheaper Gypsum (Phosphor & Chemical) in Cement production.
  - iii. Used cheaper fly ash from various sources having different color along with Pigments to maintain cement color in PPC Cement Production.
- c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
- Nil
- d) Expenditure incurred on Research and Development (R&D)
- Expenditure incurred : Nil

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned.

	<b>Current Year 2023-24 (₹ in Lacs)</b>	Previous Year 2022-23 (₹ in Lacs)
Foreign Exchange earned	<b>8.99</b>	8.54
Foreign Exchange used	<b>25,329.32</b>	12,089.29

### Annexure L

#### Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:  
Not Applicable as all contracts are at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:  
There are no material contracts. However, the transactions at arms length basis is as under:
  - I. (a) Name(s) of the related party and nature of relationship:  
Agrima Consultants International Limited – wholly owned subsidiary
  - (b) Nature of contracts/arrangements/transactions:  
Utilisation of their premises by the Company for official use.
  - (c) Duration of the contracts/arrangements/transactions:  
On going with the approval of the Audit Committee and Board.
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
Please refer item (b) above.
  - (e) Date(s) of approval by the Board, if any:  
25<sup>th</sup> May 2023.
  - (f) Amount paid as advances, if any.  
NIL
  - II. (a) Name(s) of the related party and nature of relationship:  
Mehta Private Limited – Associate Company
  - (b) Nature of contracts/arrangements/transactions:  
Utilisation of their residential premises as guest house for stay of Directors / Senior Executives / Consultants of the Company.
  - (c) Duration of the contracts/arrangements/transactions:  
On going with the approval of the Audit Committee and Board.
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
Please refer item (b) above.
  - (e) Date(s) of approval by the Board, if any:  
25<sup>th</sup> May 2023.
  - (f) Amount paid as advances, if any.  
NIL

**For and on behalf of the Board of Directors**

**Jay Mehta**  
Executive Vice Chairman  
(DIN: 00152072)

**M. S. Gilotra**  
Managing Director  
(DIN: 00152190)

Place: Mumbai  
Dated: May 28, 2024

## INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To

The Members of Saurashtra Cement Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Saurashtra Cement Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and Notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (herein after referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (herein after referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (herein after referred to as "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 Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Key Audit Matter	How was the matter addressed in our audit
<p><b>Revenue recognition - Estimation of incentives to customers</b></p> <p>Revenue from sale of products is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales.</p> <p>The Company sells its products through various channels such as dealers and commission agents (customers) and provides incentives to them in the form of discount, incentives, rebate etc. under various marketing schemes.</p> <p>Certain discounts, incentives and rebates for goods sold during the year are only finalised when the precise amounts are known, and revenue therefore includes an estimate of variable consideration. The variable consideration represents the portion of discounts, incentives and rebates that are not directly deducted on the invoice and involves estimation by the Company.</p> <p>In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end. The unsettled portion of the variable consideration results in discounts, incentives, and rebates due to customers as at year end. This requires an estimation of the revenue taking into consideration these incentives. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</p> <p>The matter has been determined to be key audit matter in view of volume and complexities in working as well as the involvement of significant estimates by the management.</p> <p>Refer Note Nos 22 and 25 to the standalone financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding from the management regarding controls relating to recording of incentives and period end outstanding value of performance obligations and tested the operating effectiveness of such controls.</li> <li>- Performing substantive testing by selecting samples using statistical sampling for discounts and rebates transactions recorded during the year as well as period end discounts and rebates accruals and matching the parameters used in the computation with the relevant source documents.</li> <li>- Verified the authorisation for schemes for incentives.</li> <li>- Evaluated the inputs used in the estimation of revenue in context of incentives.</li> <li>- Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes.</li> <li>- Checking completeness of accrual by subsequent settlement (i.e. payments and credit notes) made after year end which relates financial year 2023-24 and accuracy of the data used by the Company for accrual of discounts and rebates using underlying agreements and debit notes received from customers.</li> <li>- Verified that accounting treatment is in accordance with Ind AS 115 "Revenue from Contracts with Customers".</li> </ul>

#### Information Other than the standalone financial statements and Auditor's Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibilities of management and those charged with governance for the standalone financial statements

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

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

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

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

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

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

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

standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

#### Other Matters

The standalone financial statements for the year ended March 31, 2023, include the financial information of erstwhile Gujarat Sidhee Cement Limited (GSCL) pursuant to the scheme of amalgamation of GSCL with the Company approved by National Company Law Tribunal vide its order dated March 16, 2023 with January 1, 2022 as appointed date and effective from March 30, 2023. This financial information were audited by the auditors of erstwhile GSCL, whose report was furnished to us and was relied upon by us. We had audited the adjustments made by the management consequent to the amalgamation of GSCL with the Company.

Our opinion on the standalone financial statements, and our Report on other legal and regulatory requirements below, is not modified in respect of the above matter and our reliance on the work done by and the report of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for certain matters in respect of audit trail as stated in the 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, the Statement of Changes in Equity and the Statement of Cash Flows dealt with in this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that, 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 Managing Director and Executive Vice Chairman during the year is in accordance with the provisions of section 197 of the Act.
- h) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 1(i)(vi) below on reporting under Rule 11(g).
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance with Section 123 of the Act.

As stated in Note 14.6 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- (vi) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
- i. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.
  - ii. The feature of recording audit trail (edit log) facility was not enabled, for a portion of the year in one of the accounting software used for maintaining books of accounts; the audit trail feature was enabled from June 15, 2023 for the tables related to financial information.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in **Annexure B**, a statement on the matters specified in the paragraph 3 and 4 of the order.

**For, Manubhai & Shah LLP**  
Chartered Accountants  
Firm Registration No. 106041W /W100136

**(K C Patel)**  
Partner

Membership No. 030083  
UDIN: 24030083BKBENC5851

**Place :** Mumbai  
**Date :** May 28, 2024

## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Saurashtra Cement Limited of even date)**

#### **Report on the Internal Financial Controls with reference to aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act.**

In conjunction with our audit of the standalone financial statements of Saurashtra Cement Limited ('the Company') as of and for the year ended March 31, 2024, we have also audited the internal financial controls with reference to standalone financial statements of the Company.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For, Manubhai & Shah LLP**

Chartered Accountants

Firm Registration No. 106041W /W100136

**(K C Patel)**

Partner

Membership No. 030083

UDIN: 24030083BKBENC5851

**Place :** Mumbai

**Date :** May 28, 2024

**ANNEXURE – B****TO THE INDEPENDENT AUDITOR'S REPORT****(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report the members of Saurashtra Cement Limited of even date)**

Report on the Companies (Auditor' Report) Order, 2020, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Saurashtra Cement Limited, ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use Assets.
- (ii) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment have been physically verified by the Management according to a phased programme designed to cover all the items, over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date except in respect of the following immovable properties:

₹ in lakhs

Description of properties	Gross carrying value as at Balance Sheet date	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Freehold Land, Buildings at Sidheegram Plant	31,156.62	Erstwhile Gujarat Sidhee Cement Limited (GSCL)	No	January 1, 2022	The Title deeds are held in the name of GSCL which has amalgamated with the Company with effect from March 30, 2023 (Appointed date being January 1, 2022). The change of name on the title deeds from GSCL to Saurashtra Cement Limited is under process.
Leasehold Land at Sidheegram Plant	322.89				
Commercial office in Daman	1.71				
Leasehold Land at Sidheegram Plant	4,104.04	Bharat Chemical Industries	No	February 26, 2024	Deed for Transfer of Mining Lease between the Company, Bharat Chemical Industries and the State Government has been executed. Change of name in the Land Revenue Records is under process.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year ended March 31, 2024.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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) The inventories have been physically verified by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management are appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, during the year, from the bank on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below:

₹ in lakhs

Quarter ended	Name of bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for differences, as explained by the management
June 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	29,346.12	25,543.98	(3,802.14)	- Stock under letter of credit, amounting to ₹ 4,433.31 lakhs are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank for quarter ended on June 30, 2023.
September 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	26,100.40	26,327.99	227.59	- Change in value after completion of limited review for respective quarters, after submission of statement to the bank.
December 31, 2023	HDFC Bank Limited	Inventories and Trade Receivables	28,566.27	28,911.84	345.57	

Refer Note No. 19.2 of the financial statements.

- (iii) During the year, the Company has not made any investment in, provided any guarantee or security to companies, firms, limited liability partnerships or any other parties. During the year, the Company has granted interest free unsecured loans to employees in respect of which:
- a) (i) Aggregate amount of loan provided to subsidiary is ₹ Nil and balance outstanding at the balance sheet date is ₹ Nil.
- (ii) During the year, aggregate amount of loan provided to employees is ₹ 54.33 Lakhs and balance outstanding at the balance sheet date is ₹ 48.11 Lakhs.

- b) The investments made and the terms of the grant of all loans are not prejudicial to the Company's interest. The Company has not provided any guarantee or given security.
- c) In respect of loans granted by the Company, the schedule of repayment of principal have been stipulated and the repayments thereof have been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to firms, limited liability partnerships or any other parties during the year. Hence, reporting under clause 3(iii)(f) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee or provided any security in connection with the loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at March 31, 2024. Therefore, the reporting requirement under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of its products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been 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 not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Income Tax deducted at source, Goods and Service Tax and other material statutory dues, as applicable.
- There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues 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 the records of the Company examined by us, the details of disputed statutory dues of Income Tax, Service tax, Sales Tax, Value Added Tax, Excise Duty and other material statutory dues which have not been deposited on account of a dispute as of 31<sup>st</sup> March 2024 are as follows:

Name of statute	Nature of dues	Amount (₹ in Lakhs)	Year to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	174.05	2006-07 and 2007-08	High Court of Gujarat
		36.72*	1992-93	Customs Excise & Service Tax Appellate Tribunal (CESTAT)
		970.07	2007-08 to 2016-17	CESTAT
		3,234.41*	2008-09 to 2011-12 and 2013-14 to 2017-18	CESTAT
		405.57	2019-10 to 2013-14	CESTAT
		495.34*	2009-10, 2010-11 and 2012-13	Commissioner / Add. Commissioner, Central Excise
Customs Act, 1962	Custom Duty	5.85*	2013-14	Joint Commissioner, Central Excise
		35.85*	1995-96	CESTAT
		524.48	2011-12 and 2012-13	CESTAT
Central Excise / CENVAT Credit Rules, 2004	Service Tax	420.59*	2012-13	CESTAT
Central Excise / CENVAT Credit Rules, 2004	Service Tax	138.36*	2012-13 and 2013-14	CESTAT
Gujarat Sales Tax Act, 1961	Sales Tax	121.21*	2002-03 to 2004-05	Joint Commissioner (A), Rajkot
Gujarat Value Added Tax Act, 2003	VAT	321.88*	2006-07 and 2007-08	Joint Commissioner (A), Rajkot
Income-tax Act, 1961	Income Tax	302.30*	2017-18	CIT (A), National Faceless Appeal Centre (NFAC)
Income-tax Act, 1961	Income Tax	4.35*	2015-16	CIT(A) 3, Mumbai
Income-tax Act, 1961	Income Tax	4,131.09	2019-20 and 2020-21	CIT (A), National Faceless Appeal Centre (NFAC)
The Gujarat Panchayats Act, 1993	House Tax	42.88*	1993-94 to 2023-24	High Court of Gujarat
Mines and Minerals (Development and Regulation) Act, 1957	Royalty	15.12	2004-05 to 2006-07	Commissioner, Geology and Mining Department, Gandhinagar
		355.83	2003-04 to 2014-15	High Court of Gujarat
		546.10*	2003-04 to 2014-15	High Court of Gujarat
Gujarat Stamp Act, 1958	Stamp Duty	28.02	2013-14	High Court of Gujarat
Goods and Services Tax Act, 2017	GST	19.71	2017-18	Joint Commissioner of SGST(A), Rajkot
		34.97*	2017-18	

\* Disputed statutory dues in the name of erstwhile GSCL.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961(43 of 1961) as income during the financial year ended March 31, 2024. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.



- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company during the year were applied for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associates or joint ventures.
- (f) The Company has not raised loans during the financial year ended March 31, 2024 on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. 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). Hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge no fraud by the Company or on the Company, is noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The internal audit during the year was carried out by Internal Audit Department of the Company. Having regard to the size and volume of the Company's operations the internal audit department did not have adequate staff. In view of this in our opinion the internal audit system was not commensurate with the size and the nature of its business.
- (b) We have not considered, the internal audit reports issued to the Company during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected to directors and hence provisions of Section 192 of the Companies Act, 2013 and requirement to report on clause 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For, Manubhai & Shah LLP**  
Chartered Accountants  
Firm Registration No. 106041W /W100136

**(K C Patel)**  
Partner

Membership No. 030083  
UDIN: 24030083BKBENC5851

**Place :** Mumbai  
**Date :** May 28, 2024

**STANDALONE BALANCE SHEET**

AS AT MARCH 31, 2024

	Note	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	83,435.18	78,667.92
(b) Capital Work-in-Progress	2	3,041.98	5,037.50
(c) Right of Use Assets	2	986.21	1,202.83
(d) Goodwill	2	222.47	222.47
(e) Intangible Assets	2	2,582.12	3,001.23
(f) Intangible Assets under Development	2	105.91	71.07
(g) Financial Assets			
(i) Investments	3	65.75	1.60
(ii) Loans	4	20.96	9.58
(iii) Other Financial Assets	5	875.93	8,179.00
(h) Other Non-Current Assets	6	3,947.69	4,263.87
<b>SUB-TOTAL</b>		<b>95,284.20</b>	<b>100,657.07</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	7	26,262.10	18,031.69
(b) Financial Assets			
(i) Trade Receivables	8	8,816.88	7,828.05
(ii) Cash and Cash Equivalents	9	854.06	774.65
(iii) Bank Balances other than (ii) above	10	24,074.29	6,906.94
(iv) Loans	11	27.15	11.42
(v) Other Financial Assets	12	354.87	172.12
(c) Other Current Assets	13	1,427.15	1,313.93
<b>SUB-TOTAL</b>		<b>61,816.50</b>	<b>35,038.80</b>
<b>TOTAL ASSETS</b>		<b>157,100.70</b>	<b>135,695.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	11,098.25	5,671.99
(b) Equity Share Capital Suspense Account	44	-	5,400.96
(c) Other Equity	15	81,676.30	77,091.61
<b>SUB-TOTAL</b>		<b>92,774.55</b>	<b>88,164.56</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,039.55	541.90
(ii) Lease Liabilities	36	59.06	179.55
(b) Provisions	17	2,764.13	1,911.02
(c) Deferred Tax Liabilities (Net)	18	8,968.21	7,337.18
<b>SUB-TOTAL</b>		<b>12,830.95</b>	<b>9,969.65</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	7,366.83	5,740.94
(ii) Lease Liabilities	36	37.44	132.38
(iii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		891.53	420.27
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		19,540.37	10,327.93
(iv) Other Financial Liabilities	21	4,846.63	3,268.78
(b) Other Current Liabilities	22	17,312.94	16,653.75
(c) Provisions	23	836.50	1,017.61
(d) Current Tax Liabilities (Net)	24	662.96	-
<b>SUB-TOTAL</b>		<b>51,495.20</b>	<b>37,561.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>157,100.70</b>	<b>135,695.87</b>

Material Accounting Policies and Notes are an integral part of the Financial Statements 1 to 48

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136**K C Patel**  
Partner  
Membership No. 030083Place: Mumbai  
Date: May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)**M. S. Gilotra**  
Managing Director  
(DIN:00152190)Place: Mumbai  
Date: May 28, 2024**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)**STANDALONE STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2024

	Note	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
Revenue from Operations	25	176,515.55	164,529.41
Other Income	26	3,616.24	1,308.19
<b>Total Income</b>		<b>180,131.79</b>	<b>165,837.60</b>
<b>Expenses</b>			
(a) Cost of Materials Consumed	27	26,969.00	23,912.25
(b) Purchases of Stock-in-trade	28	337.51	161.41
(c) Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	29	1,470.79	806.86
(d) Employee Benefits Expense	30	11,214.00	9,781.73
(e) Finance Costs	31	809.18	929.07
(f) Depreciation and Amortisation Expenses	2	4,708.58	3,886.92
(g) Other Expenses	32	123,554.10	129,294.73
<b>Total Expenses</b>		<b>169,063.16</b>	<b>168,772.97</b>
<b>Profit / (Loss) before Exceptional Items and Tax</b>		<b>11,068.63</b>	<b>(2,935.37)</b>
Exceptional Items	33	(2,035.30)	-
<b>Profit / (Loss) before Tax</b>		<b>9,033.33</b>	<b>(2,935.37)</b>
Tax Expense	41		
(a) Current Tax		2,963.08	-
(b) Deferred Tax		358.34	(718.83)
<b>Total Tax Expense</b>		<b>3,321.42</b>	<b>(718.83)</b>
<b>Profit / (Loss) for the year</b>		<b>5,711.91</b>	<b>(2,216.54)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		(27.58)	(38.87)
(b) Effect of measuring Equity Instruments on Fair Value		(0.02)	(1.54)
(c) Income Tax on (a)		9.64	13.58
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b>(17.96)</b>	<b>(26.83)</b>
<b>Total Comprehensive Income for the year</b>		<b>5,693.95</b>	<b>(2,243.37)</b>
<b>Earnings per Equity Share of Face Value of ₹ 10 each :</b>			
(a) Basic (₹ per share)	48	5.16	(2.00)
(b) Diluted (₹ per share)	48	5.14	(2.00)
<b>Material Accounting Policies and Notes are an integral part of the Financial Statements</b>	1 to 48		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136**K C Patel**  
Partner  
Membership No. 030083Place: Mumbai  
Date: May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)**M. S. Gilotra**  
Managing Director  
(DIN:00152190)Place: Mumbai  
Date: May 28, 2024**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

### A. EQUITY SHARE CAPITAL

		(₹ In lakhs)	
		Restated Balance as at April 1, 2023	Balance as at March 31, 2024
Balance as at April 1, 2023	Changes during the year due to prior period errors	5,671.99	11,098.25
			5,426.26
Balance as at April 1, 2022	Changes during the year due to prior period errors	5,665.55	5,671.99
			6.44

### B. EQUITY SHARE CAPITAL SUSPENSE ACCOUNT

		(₹ In lakhs)	
		Restated Balance as at April 1, 2023	Balance as at March 31, 2024
Balance as at April 1, 2023	Changes during the year due to prior period errors	5,400.96	-
			(5,400.96)
Balance as at April 1, 2022	Changes during the year due to prior period errors	5,389.80	5,400.96
			11.16

### C. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve (Refer Note 15)	Capital Redemption Reserve	Securities Premium	Share Options Outstanding		
Balance at the beginning of the Reporting Period i.e. As at April 1, 2022	6.10	4,413.07	737.60	12,181.80	460.36	(1,035.09)	79,333.93
Loss for the year	-	-	-	-	-	-	(2,216.54)
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	(1.54)	(1.54)
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	-	(25.29)
Total Comprehensive Income for the year	(1.83)	-	-	-	-	(1.54)	(2,243.37)
Issue of Equity Shares	(4.27)	-	-	-	-	-	(1.83)
Issue of Equity Shares *	-	-	-	-	-	-	(4.27)
Investments measured at Fair Value through Other Comprehensive Income written off	-	-	-	-	-	1,035.13	-
Exercise of Employee Stock Options	-	-	-	48.44	(48.44)	-	-
Exercise of Employee Stock Options *	-	-	-	46.47	(46.47)	-	-
Transfer of balance in Forfeited Equity Shares	-	0.31	-	-	-	-	0.31
Capital Reserve on Amalgamation	-	6.84	-	-	-	-	6.84
Balance at the end of the Reporting Period i.e. As at March 31, 2023	-	4,420.22	737.60	12,276.71	365.45	(1.50)	77,091.61
Balance at the beginning of the Reporting Period i.e. As at April 1, 2023	-	4,420.22	737.60	12,276.71	365.45	(1.50)	77,091.61
Profit for the year	-	-	-	-	-	-	5,711.91
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	-	(0.02)
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	-	(17.94)
Total Comprehensive Income for the year	-	-	-	-	-	(0.02)	5,693.95
Dividend on Equity Shares [Refer Note 14.6(i)]	-	-	-	-	-	-	(1,109.26)
Exercise of Employee Stock Options	-	-	-	166.38	(166.38)	-	-
Balance at the end of the Reporting Period i.e. As at March 31, 2024	-	4,420.22	737.60	12,443.09	199.07	(1.52)	81,676.30

\* of erstwhile Gujarat Sidhee Cement Limited

#### As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 030083

Place: Mumbai  
Date : May 28, 2024

#### For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

Place: Mumbai  
Date: May 28, 2024

**STANDALONE STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31, 2024

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax	9,033.33	(2,935.37)
Adjustments for :		
Add: Finance Costs	809.18	929.07
Loss on Sale / Discard of Property, Plant and Equipment (Net)	22.48	58.22
Provision for Doubtful Debts	43.39	10.79
Bad Debts Written Off	6.40	-
Employee Benefit Expense at amortised cost	3.48	2.06
Investments written off	-	0.15
Depreciation and Amortisation Expense	4,708.58	3,886.92
	5,593.51	4,887.21
Less: Interest Income	(1,123.44)	(958.74)
Dividend Income	(0.04)	(0.05)
Unrealised Foreign Exchange Gain (Net)	(71.40)	-
Provision for Impairment in Value of Investment Written Back	(64.17)	-
Liabilities for Expenses no longer payable Written Back	(1,812.02)	(17.37)
Trade / Other Payables Written Back	(58.60)	(86.25)
Provision for Doubtful Debts Written Back	(6.63)	-
Gain on Termination of Lease	(16.44)	-
	(3,152.74)	(1,062.41)
<b>Operating Profit before Working Capital changes</b>	11,474.10	889.43
Adjustments for increase / decrease in:		
Trade Payables, Financial Liabilities and Other Current Liabilities	13,714.13	2,879.61
Provisions	474.09	(67.10)
Long-term Loans, Financial Assets and Other Non-Current Assets	76.22	(56.16)
Inventories	(8,230.41)	566.73
Trade Receivables	(1,031.99)	(1,889.60)
Short-term Loans, Financial Assets and Other Current Assets	(177.68)	124.66
	4,824.36	1,558.14
<b>Cash Generated from Operations</b>	16,298.46	2,447.57
Less: Direct Taxes Payments (Net)	(800.47)	(321.97)
<b>Net Cash Generated from Operating Activities</b>	15,497.99	2,125.60
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(6,843.32)	(3,894.04)
Proceeds from Sale of Property, Plant and Equipment	126.51	83.84
Decrease / (Increase) in Bank Deposits	(9,959.70)	6,019.50
Interest income on Bank Deposits	992.54	1,035.58
Dividend Income	0.04	0.05
<b>Net Cash Generated from / (Used in) Investing Activities</b>	(15,683.93)	3,244.93
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares on exercise of Employee Stock options	25.30	4.61

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
Proceeds from issue of shares on exercise of Employee Stock options *	-	13.74
Proceeds from Long-term Borrowings	1,055.00	407.84
Repayment of Long-term Borrowings	(481.61)	(1,581.72)
Proceeds from / (Repayment of) Short-term Borrowings (Net)	1,550.15	(2,836.96)
Payment of Lease Liabilities	(100.38)	(151.25)
Dividend Paid	(1,109.26)	-
Finance Costs Paid	(673.85)	(767.94)
<b>Net Cash Generated from / (Used in) Financing Activities</b>	265.35	(4,911.68)
<b>Net increase in Cash and Cash Equivalents</b>	79.41	458.85
<b>Cash and Cash Equivalents at the beginning of the year</b>	774.65	315.80
<b>Cash and Cash Equivalents at the end of the year (Refer Note 9)</b>	854.06	774.65

\* of erstwhile Gujarat Sidhee Cement Limited

Notes:

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**  
Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Particulars	₹ In lakhs			
	As at April 1, 2023	Cash Flows	Non Cash Changes	As at March 31, 2024
Short Term Borrowings	5,362.92	1,550.15	-	6,913.07
Long Term Borrowings (including Current maturities)	919.92	573.39	-	1,493.31

Particulars	₹ In lakhs			
	As at April 1, 2022	Cash Flows	Non Cash Changes	As at March 31, 2023
Short Term Borrowings	8,199.88	(2,836.96)	-	5,362.92
Long Term Borrowings (including Current maturities)	2,093.80	(1,173.88)	-	919.92

- Purchase of Property, Plant and Equipment includes addition to Intangible Assets, Intangible Assets under Development and adjusted for movement in Capital Work-in-progress and Capital Advances.
- Figures in bracket indicates cash outflows.

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 030083

Place: Mumbai  
Date: May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

Place: Mumbai  
Date: May 28, 2024

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**A Company Overview:**

Saurashtra Cement Limited ("the Company") is a Public Limited Company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Ranavav, Gujarat, India. The Company is engaged in the business of manufacturing and selling of Cement and Paints.

**B Material Accounting Policies****1.1 Statement of Compliance:**

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act"), amendments thereto and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for publication at its meeting held on May 28, 2024.

**1.2 Basis of Preparation and Presentation:****a) Basis of Preparation:**

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities measured at fair value (Refer Note 1.19 being accounting policy regarding financial instruments)
- Assets held for sale - measured at the lower of its carrying amount and fair value less estimated costs to sell
- Employee's Defined Benefit Plan measured as per actuarial valuation
- Share-based payments measured at fair value.
- Assets and liabilities acquired under Business Combination (other than common control Business Combination) measured at fair value

**b) Functional and Presentation Currency:**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and all values are rounded to the nearest lakhs, except when otherwise indicated.

**c) Classification of Assets and Liabilities into Current/Non-current:**

- The Company presents assets and liabilities in the Balance Sheet based on Current/Non-current classification.
- The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non-current classification of its Assets and Liabilities.
- An asset is classified as Current when:
  - It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
  - It is held primarily for the purpose of trading; or
  - It is expected to be realised within twelve months after the reporting period; or
  - It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.
- A liability is classified as Current when:
  - It is expected to be settled in normal operating cycle; or
  - It is held primarily for the purpose of trading; or
  - It is due to be settled within twelve months after the reporting period; or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-current.

v. Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**1.3 Property, Plant and Equipment (PPE):**

- The Company has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and/or any accumulated impairment loss. An item of PPE is recognised as an asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- Items such as spare parts, stand-by equipment and servicing equipment are recognised under PPE, if those meet the definition thereof and are material, else, such items are classified as inventory.
- The cost comprises of - purchase price (net of recoverable taxes on purchase, subsidy etc.), including import duties, other non-recoverable taxes and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- Items of PPE, which are not yet ready to be capable of operating in the manner intended by management are carried at cost (unless impaired) and are disclosed as "Capital Work-in-progress". Pre-operative Expenditure and cost relating to borrowed funds attributable to the construction or acquisition upto the date asset is ready for use is included under Capital Work-in-Progress. The same is allocated to the respective items of PPE on its completion for satisfactory commercial commencement.

**1.4 Depreciation / Amortisation:**

- Depreciation on PPE is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation (other than Jetty and Premium on Leasehold Land) is provided on the "Straight-line Method" as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The useful lives of items of Property, Plant and Equipment is mentioned below:

Particulars	Years
Factory Buildings	30
Buildings (other than factory buildings)	60
Jetty	Over Lease Period
Plant and Equipment (including continuous process plants)	3-40
Railway siding, weighbridge, rolling stock and locomotives	15
Furniture & Fixtures	10
Vehicles	8
Computers (Other than Servers / Networks)	3
Computers – Servers / Networks	6
Office Equipment (Other than Mobile phones)	5
Mobile phones	3

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

- Where the cost of a part of the asset which is significant to the total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, the Company has determined the useful life of that significant part separately ("Component Accounting"). However, if the useful life of the identified part is higher than the useful life of the related items of PPE, the life of such identified part is restricted upto the life of the related items of PPE. The Company has adopted such basis for the purpose of providing depreciation as per the useful life of tangible items of PPE.
- Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and from the date, the asset is derecognised.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- iv. Freehold land is not depreciated.
- v. Cost of Leasehold Land having Mineral Reserves is amortised based on quantity of limestone/marl extracted during the year out of estimated deposit available for mining.

**1.5 Non-current Assets held for sale:**

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

**1.6 Intangible Assets:**

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life of Intangible assets is mentioned below:

Trademarks	- 10 years
Computer Software	- 3 years
Licenses and Permissions	- 3 years

Trademarks with infinite life and Goodwill arising on Business Combination are tested for impairment at each Balance Sheet date.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

**1.7 Leases:****As a Lessee:**

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

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

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

Right-of-use assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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

**Short-term leases and leases of low-value assets:**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

**As a Lessor:**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income as per the terms of the lease as part of 'Other Income'.

**1.8 Impairment of Non-financial Assets:**

- i. The Company, at the end of each reporting period, assesses the carrying amounts of Non-financial Assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of that asset is estimated in order to determine the extent of the impairment loss, if any.
- ii. Recoverable amount is the higher of fair value less costs of disposal and value in use. 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. 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 for which the estimates of future cash flows have not been adjusted.
- iii. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.
- iv. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Inventories:**

Inventories are valued as follows:

- i. **Raw materials, Fuels, Stores and spare parts and Packing materials** - At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.
- ii. **Work-in-progress (WIP), Finished goods and Stock-in-trade** - At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

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

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**1.10 Revenue and Income Recognition:****A Revenue from Contracts with Customers**

- i. Revenue from contracts with customers is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt or when services are performed.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognized at the time of the sale. Revenue is recognized when the points are redeemed or on expiry.

- ii. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading/ Mate Receipt.

**B Other Operating Revenue - Export entitlement**

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

**C Income Recognition**

- i. Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer.
- ii. Dividend income from investments is recognised when the Company's right to receive dividend is established.
- iii. Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate.

**1.11 Foreign Currency Transactions:**

- i. Transactions in foreign currency (Monetary or Non-monetary items) are recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items (i.e. receivables, payables, loans etc.), which are denominated in foreign currency are translated at the spot rates of exchange of functional currency at the reporting date.
- iii. Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- iv. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the Statement of Profit and Loss for the period in which they arise.

**1.12 Employee share based payments:**

- i. Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.
- ii. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.
- iii. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.
- iv. The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**1.13 Employee Benefits:**

- i. **Defined contribution plan:** The Company's superannuation scheme and state governed provident fund scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the year in which the employees render the related service.

- ii. **Defined benefit plan - Gratuity:** In accordance with applicable Indian Laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Actuary. The Company has an employees gratuity fund managed by the Life Insurance Corporation of India ("LIC").

Remeasurement 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), is reflected immediately in the Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement is not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date when the Company recognises related restructuring costs

- iii. **Compensated Absences:** As per policy of the Company, it allows for the encashment of absence or absence with pay to its employees. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the year in which the employees render the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an Actuarial valuation. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

- iv. **Other short term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered and is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

**1.14 Borrowing Costs:**

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalised, net of income earned on temporary investments from such borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss as expense in the year in which the same are incurred.

**1.15 Segment Reporting:**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions and for which discrete financial information is available. Operating segment is reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

**1.16 Taxation:****i. Current Tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period in accordance with the provisions of the Income-tax Act, 1961.



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

ii. **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Tax relating to items recognised in equity or OCI is recognised directly in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

The deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The Company offsets on a year on year basis, the deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets and liabilities and where it intends to settle such assets and liabilities on a net basis.

**1.17 Provisions, Contingent Liabilities and Contingent Assets:**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

- ii. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- iii. Contingent assets are neither recognised nor disclosed.

**1.18 Mines Restoration Obligation:**

The Company provides for the costs of restoring a mine where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a mine-by-mine basis and are calculated based on the present value of estimated future cash out flows. The amount provided for is recognised, as soon as the obligation to incur such costs arises with the corresponding amount being capitalised. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision.

The costs are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the operation to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**1.19 Financial Instruments:**

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

- ii. Financial assets:

**Initial recognition and measurement:**

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

**Subsequent measurement:**

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

- Financial Assets at amortised cost
  - Equity investments measured at fair value through Other Comprehensive Income (FVTOCI)
- iii. Debt instruments at amortised cost:

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- iv. Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- v. Derecognition of financial asset:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

- vi. Investment in Subsidiary:

The Company's investment in its Subsidiary is carried at cost less provision for impairment.

- vii. Impairment of financial assets:

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Company's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific identification. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required.



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## viii. Financial liabilities:

**Initial recognition and measurement:**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

**Subsequent measurement:**

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

**Financial liabilities at fair value through profit or loss**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognised in the Statement of Profit and Loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

## ix. Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## x. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received.

## xi. Offsetting of financial instruments:

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

**1.20 Fair Value Measurement:**

- i. 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 under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability
- ii. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

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

- Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
- Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.

v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

**1.21 Cash and Cash Equivalents:**

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with banks with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value.

**1.22 Business Combination:**

Business combinations (other than common control business combinations) are accounted for using the acquisition method. The consideration transferred by the Company to obtain control of a business is measured at fair value at acquisition date and includes the fair value of any contingent consideration.

Acquisition related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. However, deferred tax asset or liability and any asset or liability relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Company after assessing fair value of all identified assets and liabilities, records the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity.

**1.23 Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**1.24 Earnings Per Share:**

- i. Basic Earnings per share (EPS) is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- ii. Diluted EPS is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders adjusted for the effects of potential dilution of equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**1.25 Standards issued but not yet effective:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**C Critical accounting judgements, estimates and assumptions:**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. 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. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

**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 has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**i. Useful Lives of Property, Plant and Equipment:**

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

**ii. 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 markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

**iii. Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**iv. Defined benefit plans:**

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

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**v. Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take into account of changing facts and circumstances.

**vi. Share-based payments:**

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

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

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.

**vii. Leases:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**viii. Mines Restoration Obligation:**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT, ETC.

	Gross Block				Depreciation, Amortisation and Impairment			Net Block	
	As at April 1, 2023	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2024	As at April 1, 2023	For the Year	Deductions / Adjustments	As at March 31, 2024	As at March 31, 2023
<b>Property, Plant and Equipment</b>									
Freehold land [Refer Note (iii)]	37,276.92	-	-	37,276.92	-	-	-	-	37,276.92
Leasehold land [Refer Notes (i), (ii) and (iii)]	322.99	4,261.78	-	4,584.77	89.45	74.57	-	164.02	4,420.75
Buildings and Jetty [Refer Notes (iii), (iv) and (v)]	15,753.85	53.29	-	15,807.14	7,397.52	397.25	-	7,794.77	8,012.37
Plant and Equipment [Refer Note (xi)]	77,361.35	2,320.47	143.10	79,538.72	48,779.23	2,093.28	119.57	50,752.94	28,785.78
Furniture and Fixtures	3,550.18	111.29	819.22	2,842.25	2,088.79	241.83	778.99	1,551.63	1,290.62
Vehicles	4,661.81	1,363.24	383.96	5,641.09	2,635.41	451.85	304.52	2,782.74	2,858.35
Office equipment	2,728.92	311.77	450.34	2,590.35	2,085.27	230.51	436.85	1,878.93	711.42
Railway siding, weighbridge, rolling stock and locomotives	252.60	-	-	252.60	165.03	8.60	-	173.63	78.97
<b>Total</b>	<b>141,908.62</b>	<b>8,421.84</b>	<b>1,796.62</b>	<b>148,533.84</b>	<b>63,240.70</b>	<b>3,497.89</b>	<b>1,639.93</b>	<b>65,098.66</b>	<b>78,667.92</b>
<b>Capital Work-in-Progress</b> [Refer Notes (vii), (viii) and (ix)]	9,635.28	659.60	2,013.75	8,281.13	4,597.78	641.37	-	5,239.15	5,037.50
<b>Right of Use Assets</b> [Refer Note 36]	1,348.68	94.38	376.20	1,066.86	145.85	104.13	169.33	80.65	986.21
<b>Goodwill</b>	222.47	-	-	222.47	-	-	-	-	222.47
<b>Other Intangible Assets</b>									
Other than internally generated									
Trademarks	2,163.11	-	-	2,163.11	66.01	34.42	-	100.43	2,062.68
Computer softwares	1,602.79	46.40	207.78	1,441.41	798.07	418.47	207.46	1,009.08	432.33
Licenses and Permissions	123.00	-	-	123.00	23.59	12.30	-	35.89	87.11
<b>Total</b>	<b>3,888.90</b>	<b>46.40</b>	<b>207.78</b>	<b>3,727.52</b>	<b>887.67</b>	<b>465.19</b>	<b>207.46</b>	<b>1,145.40</b>	<b>3,001.23</b>
<b>Intangible Assets under Development</b> [Refer Notes (x) and (xi)]	71.07	34.84	-	105.91	-	-	-	-	105.91
<b>Grand Total</b>	<b>157,075.02</b>	<b>9,257.06</b>	<b>4,394.35</b>	<b>161,937.73</b>	<b>68,872.00</b>	<b>4,708.58</b>	<b>2,016.72</b>	<b>71,563.86</b>	<b>88,203.02</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT, ETC. (CONTD.)

	Gross Block				Depreciation, Amortisation and Impairment			Net Block	
	As at April 1, 2022	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2023	As at April 1, 2022	For the Year	Deductions / Adjustments	As at March 31, 2023	As at March 31, 2023
<b>Property, Plant and Equipment</b>									
Freehold land [Refer Note (iii)]	37,276.92	-	-	37,276.92	-	-	-	-	37,276.92
Leasehold land [Refer Notes (i), (ii) and (iii)]	322.99	-	-	322.99	84.90	4.55	-	89.45	233.54
Buildings and Jetty [Refer Notes (iii), (iv) and (v)]	15,139.47	614.38	-	15,753.85	7,033.40	364.12	-	7,397.52	8,356.33
Plant and equipments [Refer Note (xi)]	74,947.82	2,858.18	444.65	77,361.35	47,125.47	2,039.25	385.49	48,779.23	28,582.12
Furniture and Fixtures	3,986.98	253.69	690.49	3,550.18	2,518.43	235.43	665.07	2,088.79	1,461.39
Vehicles	4,404.48	516.18	258.85	4,661.81	2,447.82	404.56	216.97	2,635.41	2,026.40
Office equipments	2,882.47	157.24	310.79	2,728.92	2,145.07	235.58	295.38	2,085.27	643.65
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	4.20	252.60	160.42	8.60	3.99	165.03	87.57
<b>Total</b>	<b>139,217.93</b>	<b>4,399.67</b>	<b>1,708.98</b>	<b>141,908.62</b>	<b>61,515.51</b>	<b>3,292.09</b>	<b>1,566.90</b>	<b>63,240.70</b>	<b>78,667.92</b>
<b>Capital Work-in-Progress</b> [Refer Notes (vii), (viii) and (ix)]	11,450.44	769.86	2,585.02	9,635.28	4,597.78	-	-	4,597.78	5,037.50
<b>Right of Use Assets</b> [Refer Note 36]	1,357.47	312.18	320.97	1,348.68	318.65	148.17	320.97	145.85	1,202.83
<b>Goodwill</b>	222.47	-	-	222.47	-	-	-	-	222.47
<b>Other Intangible Assets</b>									
Other than internally generated									
Trademarks	2,163.11	-	-	2,163.11	31.59	34.42	-	66.01	2,097.10
Computer softwares	468.50	1,134.43	0.14	1,602.79	398.27	399.94	0.14	798.07	804.72
Licenses and Permissions	123.00	-	-	123.00	11.29	12.30	-	23.59	99.41
<b>Total</b>	<b>2,754.61</b>	<b>1,134.43</b>	<b>0.14</b>	<b>3,888.90</b>	<b>441.15</b>	<b>446.66</b>	<b>0.14</b>	<b>887.67</b>	<b>3,001.23</b>
<b>Intangible Assets under Development</b> [Refer Notes (x) and (xi)]	984.82	218.83	1,132.58	71.07	-	-	-	-	71.07
<b>Grand Total</b>	<b>155,987.74</b>	<b>6,834.97</b>	<b>5,747.69</b>	<b>157,075.02</b>	<b>66,873.09</b>	<b>3,886.92</b>	<b>1,888.01</b>	<b>68,872.00</b>	<b>88,203.02</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- i. Besides the land specified above, the Company holds other leasehold land for which only ground rent is payable.
- ii. Leasehold land at Cement Plants is acquired for mining purpose. The land can be transferred with the permission of the Collector.
- iii. Details of Immovable Properties whose Title deeds are not held in the name of the Company:

Description of item of property	Gross carrying amount ₹ in lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in name of the company
Freehold Land, Buildings at Sidheegram Plant	31,156.62	Gujarat Sidhee Cement Limited	No	January 1, 2022	The Title deeds are held in the name of erstwhile Gujarat Sidhee Cement Limited which has amalgamated with the Company with effect from March 30, 2023 (Appointed date being January 1, 2022); the change of name on the title deeds from erstwhile Gujarat Sidhee Cement Limited to Saurashtra Cement Limited is under process.
Leasehold Land at Sidheegram Plant	322.89	Gujarat Sidhee Cement Limited	No	January 1, 2022	
Commercial Office in Daman	1.71	Gujarat Sidhee Cement Limited	No	January 1, 2022	
Leasehold Land at Sidheegram Plant	4,104.04	Bharat Chemical Industries	No	February 26, 2024	

- iv. Buildings and Jetty include a Private Jetty having a gross block of ₹ 2,589.70 lakhs (Previous Year: ₹ 2,589.70 lakhs), net block of ₹ 216.33 lakhs (Previous Year: ₹ 271.27 lakhs), constructed by the Company under the license to use agreement with Gujarat Maritime Board (GMB) on the land provided by them. The present agreement is for 10 years effective from November 01, 2015 and valid upto October 31, 2025.
- v. Residential Flat in Mumbai has been mortgaged in favour of HDFC Bank Limited as security for providing Bank Guarantees and Letters of Credit.
- vi. The deductions under Plant and Equipment includes an amount of ₹ 31.00 lakhs (Previous Year: ₹ Nil) for Gross Block and ₹ 22.98 lakhs (Previous Year: ₹ Nil) for Accumulated Depreciation, in respect of certain machineries held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell.
- vii. **Impairment of Assets:**
- a. The Company had incurred an aggregate sum of ₹ 8,107.17 lakhs (Previous Year: ₹ 8,107.17 lakhs) towards Expansion Project Assets and shown the same under Capital Work-in-progress (CWIP). The expenditure includes cost of imported plant purchased (including related stores and spares), civil work carried out and pre-operative expenses (including interest capitalised). During earlier years, spares of the value of ₹ 269.02 lakhs were consumed. Balance of ₹ 7,838.15 lakhs for this project is included in closing balance of CWIP.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- b. In the year 2005, due to several adversities, the project was suspended. However, the Company intends to install the assets at a later date, depending on market conditions. Therefore, considering utilisation of assets in future, the Expansion Project Assets have been valued by a project consultant. Based on the valuation report obtained from the project consultant, the aggregate provision for impairment as at March 31, 2024 is ₹ 5,239.15 lakhs (Previous Year: ₹ 4597.78 lakhs) which includes an amount of ₹ 641.37 lakhs as additional provision for impairment made during the year ended March 31, 2024.

## viii. Capital Work-in-Progress: Ageing

₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	421.98	-	21.00	-	442.98
Projects temporarily suspended [(Refer Note (vii))]	-	-	-	2,599.00	2,599.00
	421.98	-	21.00	2,599.00	3,041.98

₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	338.86	1,069.78	169.08	165.46	1,743.18
Projects temporarily suspended [(Refer Note (vii))]	-	-	-	3,294.32	3,294.32
	338.86	1,069.78	169.08	3,459.78	5,037.50

## ix. Capital Work-in-Progress: Completion Schedule

Capital-work-in progress, whose completion is overdue compared to its original plan.

₹ in lakhs

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Improvements within Cement Plant	-	-	-	21.00
N2 purging system nozzles for Coal Mill	-	-	-	-
Projects temporarily suspended	-	-	-	-
Expansion Project [(Refer Note (vii))]	-	-	-	2,599.00



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

As at March 31, 2023					₹ in lakhs				
Particulars	To be completed in								
	Less than 1 year	1-2 years	2-3 years	More than 3 years					
<b>Improvements within Cement Plant</b>									
Installation of Air Cooled Condenser for Thermal Power Plant (TPP)	1,389.59	-	-	-	-				
Automation of Delivery System	160.06	-	-	-	-				
Others	75.55	44.87	-	-	-				
<b>Projects temporarily suspended</b>									
Expansion Project [(Refer Note (vii))]	-	3,294.32	-	-	-				

## x. Intangible Assets under Development: Ageing

As at March 31, 2024						₹ in lakhs					
Particulars	Amount in Intangible Assets under Development for a period of				Total						
	Less than 1 year	1-2 years	2-3 years	More than 3 years							
<b>Projects in progress:</b>											
ERP Implementation (New Requirement)	13.73	31.35	-	-	45.08						
Automation of Delivery System	21.11	23.85	15.87	-	60.83						
	34.84	55.20	15.87	-	105.91						

As at March 31, 2023						₹ in lakhs					
Particulars	Amount in Intangible Assets under Development for a period of				Total						
	Less than 1 year	1-2 years	2-3 years	More than 3 years							
<b>Projects in progress:</b>											
ERP Implementation (New Requirement)	31.35	-	-	-	31.35						
Automation of Delivery System	23.85	15.87	-	-	39.72						
	55.20	15.87	-	-	71.07						

## xi. Intangible Assets under Development: Completion Schedule

Intangible Assets under Development, whose completion is overdue compared to its original plan.

As at March 31, 2024						₹ in lakhs					
Particulars	To be completed in										
	Less than 1 year	1-2 years	2-3 years	More than 3 years							
<b>Improvements within Cement Plant</b>											
Automation of Delivery System	60.83	-	-	-	-						

Intangible Assets under Development, overdue was ₹ Nil for previous year.

## xii. Refer Note 16.1 and 19.1 for information on Property, Plant and Equipment hypothecated as security.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars		As at March 31, 2024		As at March 31, 2023	
		₹ in lakhs		₹ in lakhs	
<b>3</b>	<b>Non-current Investments</b>				
	<b>a) Investments measured at Amortised Cost:</b>				
	<b>In Government Securities</b>				
	Unquoted				
	6 Years National Savings Certificates (Maintained as security deposit with Government authorities)		0.11		0.11
	<b>b) Investments measured at Cost:</b>				
	<b>In Equity Instruments of Subsidiary</b>				
	Unquoted (Fully paid equity shares)				
		<b>Face Value ₹ per share</b>		<b>No. of Shares</b>	
			<b>Current Year</b>	Previous Year	
	10	Agrima Consultants International Limited	404,100	404,100	180.36
					180.36
		Less: Provision for impairment in value			180.36
					64.17
	<b>c) Investments measured at Fair Value through Other Comprehensive Income (FVTOCI):</b>				
	<b>In Equity Instruments of Others</b>				
	i) Quoted (Fully paid equity shares)				
		<b>Face Value ₹ per share</b>		<b>No. of Shares</b>	
			<b>Current Year</b>	Previous Year	
	2	Bank of Baroda	22	22	0.06
	10	ACC Limited	1	1	0.03
	2	Ambuja Cements Limited	1	1	0.01
	10	India Cements Limited *	1	1	-
	5	JK Lakshmi Cement Limited	1	1	0.01
	10	Mangalam Cement Limited	1	1	0.01
	10	Prism Johnson Limited *	1	1	-
	10	Shree Digvijay Cement Co. Limited *	1	1	-
	10	Ultratech Cement Limited	1	1	0.10
	10	Zuari Agro Chemicals Limited *	1	1	-
	10	Zuari Industries Limited * (Formerly known as Zuari Global Limited)	1	1	-
					0.22
					0.15

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
ii) Unquoted (Fully paid equity shares)				
Face Value ₹ per share	Investee company	No. of Shares		
		Current Year	Previous Year	
0.1	Chennai Super Kings Cricket Limited*	1	1	-
50	Rajkot Nagrik Sahakari Bank Limited	2,001	2,001	1.00
0.1	Bhadreshwar Vidyut Private Limited	865,000	865,000	-
10	Saraswat Co-op Bank Limited	2,500	2,500	0.25
				1.25
				65.75
* Each investment is less than ₹ 0.01 lakhs				
<b>Aggregate Carrying Value of:</b>				
Quoted investments				0.22
Unquoted investments				65.53
				65.75
Aggregate Market Value of quoted investments				0.22

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
<b>4</b>	<b>Loans</b>			
	Considered Good - Unsecured			
	Staff Loans	20.96		9.58
		20.96		9.58

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
<b>5</b>	<b>Other Financial Assets</b>			
	Security Deposits			
	For supply of Power - credit impaired	195.79		224.27
	Other Deposits	249.43		342.17
		445.22		566.44
	Less : Provision for impairment	(195.79)		(224.27)
		249.43		342.17
	Fixed Deposits with Banks (Maturity greater than 12 months from the date of Balance Sheet)			
	Kept as Margin money against Guarantees and Letters of Credit	14.33		1,520.34

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
Kept as Security against Overdraft (Refer Note 19.1)		206.91		3,822.27
Other Deposits		405.26		2,494.22
		875.93		8,179.00

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
<b>6</b>	<b>Other Non-Current Assets</b>			
	Capital Advances	2,514.13		2,661.99
	Advances other than Capital Advances			
	Taxes Paid	962.60		1,179.92
	Pre-deposit Balances with Statutory / Government Authorities against Appeals	380.22		407.78
	Prepaid Expenses	46.71		14.18
	Other Advances	44.03		-
		3,947.69		4,263.87

Particulars		As at March 31, 2024 ₹ in lakhs		As at March 31, 2023 ₹ in lakhs
<b>7</b>	<b>Inventories</b>			
	Raw Materials (includes in transit of ₹ 3.06 lakhs, Previous Year: ₹ 2.80 lakhs)	3,107.51		3,747.49
	Packing Materials	495.04		494.79
	Work-in-progress	3,455.01		5,114.05
	Finished Goods	2,303.85		2,115.60
	Fuels (includes in transit of ₹ 12,798.80 lakhs, Previous Year: ₹ 59.25 lakhs)	14,218.41		3,874.25
	Stores and Spare Parts (includes in transit of ₹ 2.23 lakhs, Previous Year: ₹ 5.08 lakhs)	2,682.28		2,685.51
		26,262.10		18,031.69

The cost of inventories recognised as an expense during the year is disclosed in Notes 27, 28, 29 and 32.

For mode of valuation of inventories : Refer Note 1.9

Inventories are hypothecated as security for Cash Credit facilities given by HDFC Bank Limited - Refer Note 19.1

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>8 Trade Receivables</b>		
Considered Good - Unsecured	8,816.88	7,828.05
Trade Receivables - credit impaired	70.95	34.19
	<b>8,887.83</b>	7,862.24
Less : Provision for impairment	70.95	34.19
	<b>8,816.88</b>	7,828.05

## 8.1 Trade Receivables Ageing Schedule

As at March 31, 2024								₹ in lakhs
Particulars	Not due	Outstanding for following periods from due date of payment					Total	
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Considered Good - Unsecured								
Undisputed	2,703.84	6,011.96	34.13	49.34	2.25	0.02	8,801.54	
Disputed	-	-	-	-	-	15.34	15.34	
Trade Receivables - credit impaired								
Undisputed	-	-	-	-	-	-	-	
Disputed	0.02	12.41	18.99	13.90	8.86	16.77	70.95	
Less : Provision for impairment	(0.02)	(12.41)	(18.99)	(13.90)	(8.86)	(16.77)	(70.95)	
	<b>2,703.84</b>	<b>6,011.96</b>	<b>34.13</b>	<b>49.34</b>	<b>2.25</b>	<b>15.36</b>	<b>8,816.88</b>	

As at March 31, 2023								₹ in lakhs
Particulars	Not due	Outstanding for following periods from due date of payment					Total	
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Considered Good - Unsecured								
Undisputed	3,416.78	4,360.42	22.89	11.70	0.02	0.63	7,812.44	
Disputed	-	-	-	-	-	15.61	15.61	
Trade Receivables - credit impaired								
Undisputed	-	-	-	-	-	-	-	
Disputed	-	0.02	2.03	8.75	-	23.39	34.19	
Less : Provision for impairment	-	(0.02)	(2.03)	(8.75)	-	(23.39)	(34.19)	
	<b>3,416.78</b>	<b>4,360.42</b>	<b>22.89</b>	<b>11.70</b>	<b>0.02</b>	<b>16.24</b>	<b>7,828.05</b>	

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

8.2 Trade Receivables are hypothecated as security for Cash Credit facilities given by HDFC Bank Limited - Refer Note 19.1

## 8.3 Contract Balances

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Trade Receivables	8,816.88	7,828.05
Contract Liabilities - Advances from Customers (Refer Note 22)	7,478.31	5,677.22

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
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## 9 Cash and Cash Equivalents

Balances with Banks		
In Current Accounts	854.06	774.65
	<b>854.06</b>	<b>774.65</b>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
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## 10 Bank Balances other than Cash and Cash Equivalents

Fixed Deposits with Banks (Maturity below 12 months from the date of Balance Sheet)		
Kept as Margin Money against Guarantees and Letter of Credit	1,593.91	1,719.86
Kept as Security against Overdraft (Refer Note 19.1)	6,696.87	4,083.90
Other Deposits	15,745.05	1,062.04
	<b>24,035.83</b>	<b>6,865.80</b>
Earmarked Balances		
For Unpaid Equity Dividend	38.46	41.14
	<b>38.46</b>	<b>41.14</b>
	<b>24,074.29</b>	<b>6,906.94</b>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
-------------	---------------------------------------	---------------------------------------

## 11 Loans

Considered Good - Unsecured		
Staff Loans	27.15	11.42
	<b>27.15</b>	<b>11.42</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at	
	March 31, 2024 ₹ in lakhs	March 31, 2023 ₹ in lakhs
<b>12 Other Financial Assets</b>		
Interest accrued on Fixed Deposits	292.72	166.72
Income Receivable	62.15	5.40
	<b>354.87</b>	<b>172.12</b>

Particulars	As at	
	March 31, 2024 ₹ in lakhs	March 31, 2023 ₹ in lakhs
<b>13 Other Current Assets</b>		
Considered Good - Unsecured		
Advances		
Balances with Statutory / Government Authorities	474.69	516.46
Advances Against Purchase of Raw Materials, Stores and Spares	369.70	243.38
Prepaid Expenses	164.52	177.91
Other Advances	410.22	376.18
Non-current Assets held for Disposal [Refer Note 2(vi)]	8.02	-
	<b>1,427.15</b>	<b>1,313.93</b>
Considered Doubtful		
Advances Against Purchase of Stores and Spares	24.46	24.46
	<b>1,451.61</b>	<b>1,338.39</b>
Less : Provision for Doubtful advances	24.46	24.46
	<b>1,427.15</b>	<b>1,313.93</b>

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
<b>14 Equity Share Capital</b>				
<b>Authorised</b>				
Equity Shares of ₹ 10 par value	772,700,000	77,270.00	772,700,000	77,270.00
		<b>77,270.00</b>		<b>77,270.00</b>
<b>Issued</b>				
Equity Shares of ₹ 10 par value	124,656,079	12,465.61	70,393,438	7,039.34
		<b>12,465.61</b>		<b>7,039.34</b>
<b>Subscribed</b>				
Equity Shares of ₹ 10 par value				
Subscribed and Fully Paid Up	110,982,543	11,098.25	56,719,902	5,671.99
		<b>11,098.25</b>		<b>5,671.99</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 14.1 Reconciliation of the number of shares outstanding and amount of share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares of ₹ 10 par value				
At the beginning of the year	56,719,902	5,671.99	56,655,521	5,665.55
Add: Shares allotted during the year, pursuant to scheme of Amalgamation (Refer Note 44)	54,009,641	5,400.96	-	-
Shares issued during the year on exercise of employee stock options	253,000	25.30	64,381	6.44
At the end of the year	<b>110,982,543</b>	<b>11,098.25</b>	<b>56,719,902</b>	<b>5,671.99</b>

## 14.2 Rights, Preferences and Restrictions

## Equity Shares

- The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.
- In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. At present, there is no outstanding Preference Shares.
- In respect of share based payments granted to employees (Employee Stock Options), refer Note 42.

## 14.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(Refer para after Note 14.4)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	% to total shares	Numbers	% to total shares
Equity Shares				
Omna Enterprises LLP	10,522,431	9.48%	10,522,431	18.55%
Mehta Investments Mauritius Limited	20,732,819	18.68%	20,190,939	35.60%
The Mehta International Mauritius Limited	16,951,044	15.27%	-	-
Galaxy Technologies Private Limited	16,215,400	14.61%	-	-



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 14.4 Details of shares held by the Promoters

Sr. No.	Name of Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
		Numbers	% to total shares	Numbers	% to total shares	
i.	Sunayanaben M Mehta	6,000	0.01	6,000	0.01	(0.01)
ii.	Jay M Mehta	43,730	0.04	43,110	0.08	(0.04)
iii.	Juhi Chawla Mehta	73,382	0.07	24,650	0.04	0.02
iv.	Radha Mahendra Mehta	5,100	0.00	5,100	0.01	-
v.	Arjun Jay Mehta	1,682,018	1.52	1,656,712	2.92	(1.41)
vi.	Jahnvi Jay Mehta	1,656,713	1.49	1,656,713	2.92	(1.43)
vii.	Medhavini D Mehta	90,634	0.08	90,634	0.16	(0.08)
viii.	Hemang D Mehta	95,584	0.09	95,584	0.17	(0.08)
ix.	Umade D Mehta	26,000	0.02	26,000	0.05	(0.02)
x.	Kamalakshi D Mehta	18,400	0.02	18,400	0.03	(0.02)
xi.	Anisha Hemang Mehta	100	0.00	100	0.00	-
xii.	Devika Kallergis	100	0.00	100	0.00	-
xiii.	Nirmala Ranvir Khatau	-	0.00	12,935	0.02	(0.02)
xiv.	Anandita Sudhir Shah	84,415	0.08	84,415	0.15	(0.07)
xv.	Subash Chandra Khanna	60,000	0.05	1,30,000	0.23	(0.18)
xvi.	Promilla Khanna	6,50,000	0.59	6,50,000	1.15	(0.56)
xvii.	Arja Shridhar	2,00,000	0.18	2,00,000	0.35	(0.17)
xviii.	Ranvir Morarji Khatau	12,935	0.01	-	-	0.01
xix.	Mehta Investments Mauritius Limited	2,07,32,819	18.68	2,01,90,939	35.60	(16.92)
xx.	The Mehta International Ltd	3,750	0.00	3,750	0.01	-
xxi.	The Mehta International Mauritius Limited	1,69,51,044	15.27	17,73,599	3.13	12.15
xxii.	Pallor Trading Company Private Limited	-	0.00	25,136	0.04	(0.04)
xxiii.	Galaxy Technologies Private Limited	1,62,15,400	14.61	1,23,531	0.22	14.39
xxiv.	Omna Enterprises LLP	1,05,22,431	9.48	1,05,22,431	18.55	(9.07)
xxv.	Gujarat Industrial Investment Corporation Limited	51,16,672	4.61	-	-	4.61
xxvi.	Treasurers Trading Limited	63,085	0.06	-	-	0.06
		<b>7,43,10,312</b>	<b>66.96</b>	<b>3,73,39,839</b>	<b>65.83</b>	<b>1.12</b>

The Company has made allotment of Shares, in the current year, to shareholders of erstwhile Gujarat Sidhee Cement Limited, pursuant to Scheme of Amalgamation. (Refer Note 44)

Entire change in the Number of shares held by shareholders holding more than 5% and in the Number of shares held by promoters (except Subhash Chandra Khanna) as at March 31, 2024, as compared with previous year is due to aforesaid allotment.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 14.5 Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options (Refer Note 42)	304,738	30.47	557,738	55.77

- 14.6 i. The Board of Directors at its meeting held on February 12, 2024 declared an interim dividend of ₹ 1 per equity share of the face value of ₹ 10 each for the year ended March 31, 2024.
- ii. Further, the Board of Directors at its meeting held on May 28, 2024 has recommended a final dividend of ₹ 1 per equity share of the face value of ₹ 10 each for the year ended March 31, 2024.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>15 Other Equity</b>		
<b>i. Reserves and Surplus</b>		
<b>a. Capital Reserve</b>		
Government Subsidy	26.95	26.95
Capital Reduction Account	6,921.68	6,921.68
On Amalgamation	(5,250.00)	(5,250.00)
Others	2,721.59	2,721.59
	<b>4,420.22</b>	<b>4,420.22</b>
<b>b. Capital Redemption Reserve</b>	<b>737.60</b>	<b>737.60</b>
<b>c. Securities Premium</b>		
Balance as at the beginning of the year	12,276.71	12,181.80
Add: Exercise of Employee Stock Options	166.38	48.44
Add: Exercise of Employee Stock Options *	-	46.47
	<b>12,443.09</b>	<b>12,276.71</b>
<b>d. Share Options Outstanding</b>		
Balance as at the beginning of the year	365.45	460.36
Less: Exercise of Employee Stock Options	(166.38)	(48.44)
Less: Exercise of Employee Stock Options *	-	(46.47)
	<b>199.07</b>	<b>365.45</b>
<b>e. General Reserve</b>	<b>5,786.29</b>	<b>5,786.29</b>
<b>f. Retained Earnings</b>		
Balance as at the beginning of the year	53,506.84	56,783.80
Add/(Less): Profit / (Loss) for the year	5,711.91	(2,216.54)
Add/(Less): Remeasurement gain / (loss) on defined benefit plan (net of tax)	(17.94)	(25.29)
Less: Transfer from Equity Instruments through OCI on Investments write off	-	(1,035.13)
Less: Appropriations		
Dividend on Equity Shares [Refer Note 14.6(i)]	(1,109.26)	-
	<b>58,091.55</b>	<b>53,506.84</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>ii. Equity Instruments through Other Comprehensive Income (OCI)</b>		
Balance as at the beginning of the year	(1.50)	(1,035.09)
Add/(Less): Effect of measuring Equity Instruments on Fair Value	(0.02)	(1.54)
Add: Transfer to Retained Earnings on Investments write off	-	1,035.13
	<b>(1.52)</b>	<b>(1.50)</b>
	<b>81,676.30</b>	<b>77,091.61</b>

\* of erstwhile Gujarat Sidhee Cement Limited

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

**a. Capital Reserve**

It represents reserve created on capital receipt. It also consists of,

- Reduction of paid up capital of erstwhile Gujarat Sidhee Cement Limited in earlier year in pursuance of Hon'ble BIFR order,
- Government Subsidy received in earlier years and
- Capital reserve on Common Control Business Combination.

**b. Capital Redemption Reserve**

This reserve was created on redemption of Preference Shares by transfer from General Reserve.

**c. Securities Premium**

It represents the amount of premium over face value on shares issued.

**d. Share Options Outstanding**

The Company has Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 42 for further details of the plan.

**e. General Reserve**

The General reserve was created in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. General reserve is a free reserve available to the Company.

**f. Retained Earnings**

Retained Earnings are the profits that the Company has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

**g. Equity Instruments through Other Comprehensive Income**

This represents cumulative gains / (losses) arising on the measurement of equity shares (other than subsidiaries and associate) at fair value through other comprehensive income.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	Non-Current		Current maturities of Long-term borrowings*	
	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>16 Non-Current Borrowings</b>				
Secured				
<b>Term Loans</b>				
From Banks	<b>1,039.55</b>	532.31	<b>444.17</b>	364.64
From Others	-	9.59	<b>9.59</b>	13.38
	<b>1,039.55</b>	541.90	<b>453.76</b>	378.02

\* Amount disclosed under the head 'Borrowings' (Note 19).

**16.1 A Security and Repayment Terms:**

- Term Loans in respect of finance availed for purchase of vehicles / equipments are repayable in 36 to 60 equated monthly instalments carrying varied interest from 6.80% to 9.15% p.a. These loans are secured by hypothecation of vehicles and equipment financed there under.
- During the year, the Company has received sanction of Term Loan of ₹ 4,400.00 lakhs which is secured by first charge by way of hypothecation of the current assets of the Company. It is also secured by Equitable Mortgage of Land and Building and hypothecation of Plant and Machinery, existing and future, situated at Sidheegram Plant and personal guarantee of one Promoter Director of the Company. As at the year end, there is no drawl of funds from the said Term Loan and therefore outstanding amount is ₹ Nil.
- The charges, which are required to be registered with the Registrar of Companies (ROC), have been registered within the time limit except charge in respect of vehicle loans taken from HDFC Bank Limited and BMW Financial Services India Private Limited ('the lenders') for which the lenders did not require to create the charge as vehicles were hypothecated in favour of the lenders with Regional Transport Office (RTO) as per the provisions of The Motor Vehicles Act, 1988. The principal amount of such loans as continued is ₹ 156.11 lakhs (Previous Year: ₹ 156.11 lakhs), the balance of which is ₹ 35.13 lakhs as at March 31, 2024 (Previous Year: ₹ 69.02 lakhs).

The satisfaction of charges which are required to be registered with the Registrar of Companies (ROC), have been registered within the time limit except satisfaction of charge in respect of loans taken from SREI Infrastructure Finance Limited ("the lender") due to non receipt of No Objection Certificate from the lender. The Company has repaid entire dues and there is no outstanding balance to the lender as at the end of current year and previous year.

- B** The Company has utilised funds raised from borrowings from banks and financial institutions for the specific purposes for which they were taken.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>17 Provisions</b>		
For Employee Benefits (Refer Note 37)		
Gratuity	<b>1,326.54</b>	1,291.93
Compensated absences	<b>1,367.79</b>	619.09
For Mines Restoration Expenditure (Refer Note 17.1)	<b>69.80</b>	-
	<b>2,764.13</b>	1,911.02

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**17.1** Mines restoration expenses are incurred on ongoing basis until the respective mines are not fully restored, in accordance with the requirement of the mining agreement. The actual expenses may vary based on the nature and the estimate of restoration expenses. Movement of provision for Mines restoration during the year is as under :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Opening Balance	-	-
Add: Provision during the year	157.75	-
Add: Unwinding of interest	12.58	-
Less: Provision utilised during the year	(56.80)	-
Closing Balance	113.53	-
Closing Balance - Classified as Non Current Provisions	69.80	-
Closing Balance - Classified as Current Provisions	43.73	-

The unwinding of interest amounting to ₹ 12.58 lakhs (Previous Year: ₹ Nil) on Mines Restoration Provision is included under Finance Costs (Interest expenses - Others) in the Statement of Profit and Loss.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>18 Deferred Tax Liabilities (net)</b>		
Deferred Tax Liabilities (Refer Note 41)	15,474.71	15,558.35
Deferred Tax Assets (Refer Note 41)	(6,506.50)	(8,221.17)
	<u>8,968.21</u>	<u>7,337.18</u>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>19 Short-term Borrowings</b>		
Secured		
Loans Repayable on Demand from Banks		
Cash Credit	1,102.03	1.25
Overdraft	5,811.04	5,361.67
	<u>6,913.07</u>	<u>5,362.92</u>
Current Maturities of Long-term borrowings (Refer Note 16.1)		
Term Loans		
From Banks	444.17	364.64
From Others	9.59	13.38
	<u>453.76</u>	<u>378.02</u>
	<u>7,366.83</u>	<u>5,740.94</u>

**19.1 Security:****Cash Credit / Working Capital Demand Loan**

The Working Capital facilities are secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future. It is also secured by Equitable Mortgage of Land and Building and hypothecation of Plant and Machinery, existing and future, situated at both Ranavav and Sidheegram Plants and personal guarantee of one Promoter Director of the Company.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**Overdraft**

Overdraft from bank is secured against lien of fixed deposits with bank of ₹ 6,903.78 lakhs (Previous Year: ₹ 7,906.17 lakhs) - Refer Notes 5 and 10.

**19.2 Disclosure of borrowings obtained on the basis of security of current assets**

The Company has Working Capital limit of ₹ 17,000 lakhs for its cement plants comprising of fund-based limit of ₹ 6,000 lakhs and non-fund based limit of ₹ 11,000 lakhs. For the said fund-based limit, the Stock and Debtors statement submitted at the quarter end are in agreement with the books of account other than those as set out below.

Quarter ended	Name of Bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
<b>₹ Particulars</b>						
<b>FY 2023-24</b>						
June 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	29,346.12	25,543.98	(3,802.14)	i. Stock under letter of credit, amounting to ₹ 4,433.31 lakhs is not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	26,100.40	26,327.99	227.59	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
December 31, 2023	HDFC Bank Limited	Inventories and Trade Receivables	28,566.27	28,911.84	345.57	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
<b>FY 2022-23</b>						
June 30, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	27,018.94	28,030.32	1,011.38	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	20,792.82	21,567.55	774.73	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Quarter ended	Name of Bank	Particulars of Securities provided	₹ Particulars			
			Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
December 31, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	28,425.71	28,922.34	496.63	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
March 31, 2023	HDFC Bank Limited	Inventories and Trade Receivables	24,689.93	24,563.00	(126.93)	Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.

\* The amounts stated are total of Saurashtra Cement Limited and erstwhile Gujarat Sidhee Cement Limited, as reported on standalone basis, after eliminating inter company balances, if any.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>20 Trade Payables</b>		
Due to Micro and Small enterprises	891.53	420.27
Due to Others	19,540.37	10,327.93
	<b>20,431.90</b>	<b>10,748.20</b>

## 20.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2024					Total
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Micro and Small enterprises						
Undisputed dues	889.23	-	-	-	-	889.23
Disputed dues	-	1.20	1.10	-	-	2.30
Due to Others						
Undisputed dues	6,798.12	12,638.00	67.48	27.92	8.85	19,540.37
Disputed dues	-	-	-	-	-	-
	<b>7,687.35</b>	<b>12,639.20</b>	<b>68.58</b>	<b>27.92</b>	<b>8.85</b>	<b>20,431.90</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2023					Total
	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Micro and Small enterprises						
Undisputed dues	226.61	193.66	-	-	-	420.27
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	8,980.71	1,150.65	73.21	37.72	85.64	10,327.93
Disputed dues	-	-	-	-	-	-
	<b>9,207.32</b>	<b>1,344.31</b>	<b>73.21</b>	<b>37.72</b>	<b>85.64</b>	<b>10,748.20</b>

20.2 Additional disclosure in respect of dues to Micro, Small and Medium enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
i. Principal amount remaining unpaid	891.53	420.27
ii. Interest accrued on the above amount and remaining unpaid	-	0.96
iii. Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
iv. Interest paid in terms of Section 16	-	-
v. Interest due and payable for payments already made	-	-
vi. Interest accrued and remaining unpaid	-	0.96
vii. Amount of further interest remaining due and payable even in succeeding years	-	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the Company regarding the status of suppliers under the MSME.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>21 Other Financial Liabilities</b>		
Interest accrued but not due on borrowings	8.57	4.29
Unpaid Dividends	38.63	41.30
Amounts Payable on Redemption of Preference Shares	0.23	0.23
Security Deposits from Customers / Transporters	2,044.12	1,745.02
Remuneration Payable to Key Managerial Personnel [Refer Note 39.2(B)(i)(a&b)]	32.95	-
Liabilities for Expenses at the year-end	2,658.79	1,408.02
Other Financial Liabilities	63.34	69.92
	<b>4,846.63</b>	<b>3,268.78</b>



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>22 Other Current Liabilities</b>		
Statutory Dues	7,369.57	8,751.70
Advances from Customers	7,478.31	5,677.22
Unearned Revenue	2,281.91	2,070.28
Other Current Liabilities	183.15	154.55
	<b>17,312.94</b>	<b>16,653.75</b>
Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>23 Provisions</b>		
For Employee Benefits (Refer Note 37)		
Gratuity	382.29	585.39
Compensated absences	410.48	432.22
For Mines Restoration Expenditure (Refer Note 17.1)	43.73	-
	<b>836.50</b>	<b>1,017.61</b>
Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>24 Current Tax Liabilities (net)</b>		
Provision for Taxation (Net of Advance Tax and MAT Credit utilised of ₹ 2,300.09 lakhs)	662.96	-
	<b>662.96</b>	<b>-</b>
Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>25 Revenue from Operations</b>		
Sale of Products	175,480.20	163,482.17
Other Operating Revenue	1,035.35	1,047.24
	<b>176,515.55</b>	<b>164,529.41</b>

**25.1 Sales by Performance Obligations**

Performance obligations are satisfied at a point in time i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>25.2 Revenue from Contracts with Customers</b>		
<b>A Revenue from contracts with customers disaggregated based on nature of products or services</b>		
i Revenue from Sale of Products		
Cement	167,203.67	157,746.15
Clinker	4,388.61	3,271.88
Paints	3,887.92	2,464.14
	<b>175,480.20</b>	<b>163,482.17</b>
ii Other Operating Revenue		
AFR Processing Income	733.75	537.18
Sale of Power	94.26	21.88
Sale of Scrap	207.22	488.07
Export Entitlements	0.12	0.11
	<b>1,035.35</b>	<b>1,047.24</b>
	<b>176,515.55</b>	<b>164,529.41</b>
<b>B Revenue from contracts with customers disaggregated based on geography</b>		
i Domestic	176,506.56	164,520.87
ii Export	8.99	8.54
	<b>176,515.55</b>	<b>164,529.41</b>
<b>25.3 Reconciliation of contract price with Revenue from Operations</b>		
<b>Contract price</b>	<b>181,614.32</b>	167,891.32
Add: Reversal of Unearned Revenue of earlier years	1,364.48	641.26
	<b>182,978.80</b>	<b>168,532.58</b>
Less:		
Discounts and Rate differences	5,922.49	4,433.07
Customer loyalty programme	126.92	53.38
Incentives and Schemes	1,449.19	563.96
	<b>175,480.20</b>	<b>163,482.17</b>
Add: Other Operating Revenue	1,035.35	1,047.24
<b>Revenue from Operations</b>	<b>176,515.55</b>	<b>164,529.41</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>26 Other Income</b>		
Interest Income on		
Fixed Deposits with Banks	1,118.54	955.89
Financial Assets measured at amortised cost	4.90	2.85
Income Tax Refund	7.17	-
Others	12.44	5.05
	<u>1,143.05</u>	<u>963.79</u>
Dividend Income from Non-current Investments	0.04	0.05
Miscellaneous Income	196.79	63.16
Net Gain on Foreign Currency Transactions and Translation	267.36	-
Insurance Claims [includes ₹ 55.97 lakhs (Previous Year : ₹ 162.05 lakhs) on damaged PPE]	73.98	173.57
Bad Debts Recovered	-	4.00
Provision for Doubtful Debts Written Back	6.63	-
Less : Bad Debts Written off	(6.40)	-
	<u>0.23</u>	<u>-</u>
Provision for Impairment in Value of Investment Written Back	64.17	-
Liabilities for Expenses no longer payable Written Back	1,812.02	17.37
Trade / Other Payables Written Back	58.60	86.25
	<u>3,616.24</u>	<u>1,308.19</u>
<b>27 Cost of Materials Consumed</b>		
Raw Materials		
Opening Stock	3,747.49	2,546.46
Add: Purchases	14,210.88	14,821.30
	<u>17,958.37</u>	<u>17,367.76</u>
Less: Closing Stock	3,107.51	3,747.49
	<u>14,850.86</u>	<u>13,620.27</u>
Royalty, Cess and Raw Material Handling Charges		
Limestone and Other Materials Handling Charges	2,970.90	2,638.14
Limestone / Marl Raising Charges	2,000.07	830.01
Royalty and Cess	3,118.39	2,584.95
	<u>8,089.36</u>	<u>6,053.10</u>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>Packing Materials</b>		
Opening Stock	494.79	534.71
Add: Purchases	4,029.03	4,198.96
	<u>4,523.82</u>	<u>4,733.67</u>
Less: Closing Stock	495.04	494.79
	<u>4,028.78</u>	<u>4,238.88</u>
	<u>26,969.00</u>	<u>23,912.25</u>
<b>28 Purchases of Stock-in-trade</b>		
Purchases of Traded Goods		
Paints	337.51	161.41
	<u>337.51</u>	<u>161.41</u>
<b>29 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress</b>		
Stocks at the end		
Finished Goods - Cement	1,518.25	1,677.73
Stock-in-trade - Paints	93.51	35.33
Finished Goods - Paints	692.09	402.54
Work-in-progress - Raw Flour and Clinker	3,455.01	5,114.05
	<u>5,758.86</u>	<u>7,229.65</u>
Less: Stocks at the Beginning		
Finished Goods - Cement	1,677.73	1,408.00
Stock-in-trade - Paints	35.33	39.14
Finished Goods - Paints	402.54	387.89
Work-in-progress - Raw Flour and Clinker	5,114.05	6,201.48
	<u>7,229.65</u>	<u>8,036.51</u>
	<u>1,470.79</u>	<u>806.86</u>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>30 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	10,140.33	8,759.74
Contribution to Provident and Other Funds	516.76	512.42
Gratuity Expense (Refer Note 37)	210.55	168.49
Staff Welfare Expenses	346.36	341.08
	<b>11,214.00</b>	<b>9,781.73</b>
<b>31 Finance Costs</b>		
Interest expense		
On Borrowings	423.87	545.14
On Duties and Taxes	150.41	149.44
On Others [Refer Notes 17.1 and 36(C)]	163.27	156.28
	<b>737.55</b>	<b>850.86</b>
Other Borrowing Costs	71.63	78.21
	<b>809.18</b>	<b>929.07</b>
<b>32 Other Expenses</b>		
Stores and Spare Parts Consumed	5,981.92	5,544.02
Power and Fuel	65,273.92	76,094.71
Rent	866.06	656.03
Repairs and Maintenance:		
Buildings	677.83	665.70
Machinery	3,483.95	2,878.93
Others	1,089.51	1,117.30
	<b>5,251.29</b>	<b>4,661.93</b>
Insurance	367.24	376.20
Rates and Taxes	257.49	213.89
Advertisement and Business Promotion Expenses	3,634.67	3,247.99
Freight and Handling Expenses	30,720.47	28,519.01

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
Cement Packing Expenses	1,718.91	1,484.02
Packing and Handling Expenses - Paints	108.55	88.83
Commission	3,147.35	2,659.18
Directors' Fees	99.25	121.88
Charity and Donation (Refer Note 32.1)	1,003.50	405.51
Traveling and Conveyance	1,140.62	868.08
Legal and Professional Charges	1,092.03	1,000.25
Auditor's Remuneration (Refer Note 32.2)		
Audit Fees	21.47	30.66
Tax Audit Fees	5.04	7.20
For Other Services - Certification Work	5.45	10.95
	<b>31.96</b>	<b>48.81</b>
Provision for Doubtful Debts	43.39	10.79
Net Loss on Foreign Currency Transactions and Translation	-	60.55
Loss on Sale / Discard of Property, Plant and Equipment (Net)	22.48	58.22
Corporate Social Responsibility (CSR) Expenditure (Refer Note 35)	55.34	219.76
	<b>2,778.36</b>	<b>2,980.30</b>
Miscellaneous Expenses	(40.70)	(25.23)
Cost of Cement / Paint Self Consumed		
	<b>123,554.10</b>	<b>129,294.73</b>

**32.1** Charity and Donation includes donation of ₹ 1,000 lakhs (Previous Year: ₹ 400 lakhs) given to political parties.

**32.2** It includes Remuneration paid / payable to Auditors of erstwhile Gujarat Sidhee Cement Limited for the previous year.

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>33 Exceptional Items</b>		
Compensation for mining land, as per order of the Court	(231.69)	-
Interest on above Compensation	(1,307.75)	-
Stamp Duty on Transfer of Land, Buildings and Machinery of erstwhile Gujarat Sidhee Cement Limited in the name of the Company	(495.86)	-
	<b>(2,035.30)</b>	<b>-</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>34 Contingent Liabilities and Commitments</b>		
i. Contingent liabilities: (to the extent not provided for)		
a. Claims against the Company not acknowledged as debt - matters under disputes / appeals:		
i. Sales Tax / VAT	424.78	449.51
ii. Excise Duty *	4,789.57	4,789.57
iii. Service Tax *	143.72	143.72
iv. Goods and Services Tax *	58.48	1.42
v. Royalty	15.12	15.12
vi. Customs Duty *	122.85	122.85
vii. Income Tax *	383.32	383.32
viii. Octroi	38.49	38.49
ix. House Tax	42.88	41.50
x. Land Compensation	-	416.37
xi. Claims filed by workmen or their union against the Company	1.00	1.00
xii. On account of Power Supply	678.16	678.16
xiii. In the earlier years, the company had sold residential flats through a bidding process in which the bidder failed to make the payments as per the agreed schedule due to which the Earnest Money Deposit and part payments received against the failed bid were forfeited as per the agreed tender terms and the flats were sold to another person. The matter is under dispute as the original unsuccessful bidder has disputed the subsequent sale and the outcome / impact of the same is presently unascertainable.		
xiv. Other demands and claims	44.80	46.00
*Amount paid under protest : ₹ 380.22 lakhs (Previous Year : ₹ 395.22 lakhs)		
<b>Notes:</b>		
i. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.		
iii. The amounts stated are including interest and penalty, to the extent demanded.		
ii. Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances of ₹ 2,514.13 lakhs, Previous Year: ₹ 2,661.99 lakhs) and not provided for.	5,186.78	5,413.36

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>35 Particulars of Corporate Social Responsibility (CSR) Expenditure</b>		
Gross amount required to be spent by the Company during the year	52.84	219.70
Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
Rural Development	4.35	18.07
Promoting Preventive Health Care, Environment and Sanitation	1.52	22.40
Education Promotion	49.47	179.29
	55.34	219.76

There is no unspent amount for the current year as well as for the previous year.

**36 Disclosure pursuant to Ind AS 116 on "Leases"****As a Lessee :****A** Following are the changes in the carrying value of right of use assets:

Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
₹ in lakhs			
<b>Leasehold Land</b>			
Balance as at April 1, 2022	930.48	12.15	918.33
Additions	-	13.24	
Deletions	-	-	
Balance as at March 31, 2023	930.48	25.39	905.09
Additions	-	13.24	
Deletions	-	-	
Balance as at March 31, 2024	930.48	38.63	891.85
<b>Buildings</b>			
Balance as at April 1, 2022	426.99	306.50	120.49
Additions	312.18	134.93	
Deletions	320.97	320.97	
Balance as at March 31, 2023	418.20	120.46	297.74
Additions	94.38	90.89	
Deletions	376.20	169.33	
Balance as at March 31, 2024	136.38	42.02	94.36

The aggregate depreciation expense amounting to ₹ 104.13 lakhs (Previous Year: ₹ 148.17 lakhs) on right of use assets is included under Depreciation and Amortization Expense in the Statement of Profit and Loss.



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

B The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Current lease liabilities	37.44	132.38
Non current lease liabilities	59.06	179.55
	<u>96.50</u>	<u>311.93</u>

C The following is the movement in lease liabilities:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Balance as at the beginning of the year</b>	<b>311.93</b>	130.14
Additions	92.70	312.19
Finance cost accrued	15.47	20.85
Deletions	223.22	-
Payment of lease liabilities	100.38	151.25
<b>Balance as at the end of the year</b>	<b>96.50</b>	<u>311.93</u>

The aggregate interest expense amounting to ₹ 15.47 lakhs (Previous Year: ₹ 20.85 lakhs) on Lease Liabilities is included under Finance Costs (Interest expenses - Others) in the Statement of Profit and Loss.

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	44.04	153.94
One to five years	63.40	190.37
More than five years	-	-
	<u>107.44</u>	<u>344.31</u>

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Statement of Profit and Loss:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Depreciation charge on right of use assets	104.13	148.17
Interest expense on lease liabilities	15.47	20.85
Expense relating to short-term leases	236.01	111.91
Gain on termination of leases	16.44	-

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

F Total cash outflow for leases from Financing Activities recognised in the Statement of Cash Flows is ₹ 100.38 lakhs (Previous Year: ₹ 151.25 lakhs).

**As a Lessor :**

G The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	2.85	3.45
One to five years	-	2.85
More than five years	-	-
	<u>2.85</u>	<u>6.30</u>

H Lease Income of ₹ 17.48 lakhs (Previous Year : ₹ 25.05 lakhs) has been recognised in the Statement of Profit and Loss under Other Income - Miscellaneous Income.

### 37 Employee benefits

As per Ind AS - 19 - "Employee Benefits", the disclosures of Employee Benefits is given as below:-

#### 37.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 516.76 lakhs (Previous Year: ₹ 512.42 lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 30)

#### 37.2 Defined Benefit Plan: Gratuity

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the Defined Benefit Plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years or as extended by the Management

37.3 The fund is managed by a trust and it is governed by the Board of Trustees. Present strength of trustees is five. The trustees are responsible for the governance of the plan. The day-to-day administration of the scheme is carried out by the trustees. It is the trustee's duty to look after assets on behalf of employees who are entitled to benefit from those assets at future date. Investment of assets of fund is key responsibility of the trustees.

#### 37.4 Risk to the Plan

##### i. Actuarial Risk:

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## ii. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

## iii. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

## iv. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>37.5 i. Changes in Present Value of Obligations:</b>		
Present Value of Obligation at the beginning of the year	1,890.06	1,955.64
Current Service Cost	70.50	78.32
Past Service Cost	-	-
Interest Cost	141.00	136.02
Actuarial (Gain) / Loss due to:		
- Change in Financial Assumptions	19.15	(35.88)
- Change in Demographic Assumptions	-	(1.25)
- Experience Changes	8.30	76.03
Benefits paid	(406.62)	(318.82)
<b>Present Value of Obligation as at the end of the year</b>	<b>1,722.39</b>	<b>1,890.06</b>
<b>ii. Changes in Fair Value of Plan Assets:</b>		
Fair value of Plan Assets at the beginning of the year	12.74	11.97
Expected return on Plan Assets	0.95	0.74
Contributions by the employer	268.43	178.84
Benefits paid from the fund *	(268.43)	(178.84)
Return on plan assets excluding amounts included in interest income	(0.13)	0.03
<b>Fair value of Plan Assets as at the end of the year</b>	<b>13.56</b>	<b>12.74</b>
* Benefits paid directly by employer, erstwhile Gujarat Sidhee Cement Limited, has not been considered		
<b>iii. The amount recognised in Balance Sheet</b>		
Gross value of Present Obligation at the end of the year	1,722.39	1,890.06
Fair Value of Plan Assets at the end of the year	13.56	12.74
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>1,708.83</b>	<b>1,877.32</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>iv. Amount recognised in the Statement of Profit and Loss</b>		
Current Service Cost	70.50	78.32
Past Service Cost	-	-
Interest Cost	140.05	135.28
Expected return on Plan Assets	-	-
<b>Expenses Recognised in the Statement of Profit and Loss</b>	<b>210.55</b>	<b>213.60</b>
<b>v. Amount recognised in Other Comprehensive Income</b>		
Components of Actuarial (Gain) / Loss:		
Change in Financial Assumptions	19.15	(35.88)
Change in Demographic Assumptions	-	(1.25)
Experience Changes	8.30	76.03
Return on plan assets excluding amounts included in interest income	0.13	(0.03)
<b>Amount recognised in Other Comprehensive Income</b>	<b>27.58</b>	<b>38.87</b>
<b>vi. Category of Assets</b>		
Insurer Managed Funds	13.56	12.74
<b>vii. Maturity Profile of the Defined Benefit Obligation</b>		
1 <sup>st</sup> Following Year (Within next 12 months)	395.86	585.39
2 <sup>nd</sup> Following Year	165.07	183.86
3 <sup>rd</sup> Following Year	237.91	234.02
4 <sup>th</sup> Following Year	274.82	192.18
5 <sup>th</sup> Following Year	159.90	233.41
Sum of Years 6 to 10	603.55	648.79
Sum of Years 11 and above	719.71	658.91
<b>viii. Sensitivity Analysis for significant assumptions * Increase/(Decrease) on present value of defined benefit obligations at the end of the year</b>		
1% increase in discount rate	(68.28)	(66.39)
1% decrease in discount rate	76.04	73.74
1% increase in salary escalation rate	67.77	66.69
1% decrease in salary escalation rate	(62.28)	(61.69)
1% increase in employee turnover rate	10.48	11.21
1% decrease in employee turnover rate	(11.61)	(12.36)
<b>ix. Assumptions</b>		
Mortality Table - Indian Assured Lives Mortality 2012-14 (Urban)		
Discount Rate	7.19%	7.46%
Rate of increase in compensation levels	5.00%	5.00%
Expected Return on Plan Assets	7.19%	7.46%
Attrition Rate		
For service 4 years and below	15.00%	15.00%
For service 5 years and above	2.00%	2.00%
<b>x. Weighted average duration of Defined Benefit Obligation</b>	<b>6 years</b>	<b>5 years</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- xi. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.
- xii. Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations which is 10 years.
- xiii. **Asset Liability matching strategy**  
The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity.

\*The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**38 Segment Reporting**

The Company operates in two reportable segment i.e. manufacture of i. Cement and Clinker and ii. Paints as per Ind AS 108 - Operating Segment. Segments have been identified taking into account nature of product and differential risk and return of the segment. The business segments are reviewed by the Managing Director of the Company (CODM).

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>1 Segment Revenue :</b>		
Revenue from Operations :		
a Cement & Clinker	172,615.02	162,065.16
b Paints	3,900.53	2,464.25
<b>Total Revenue from Operations</b>	<b>176,515.55</b>	<b>164,529.41</b>
<b>2 Segment Results :</b>		
Profit / (Loss) after depreciation but before finance cost :		
a Cement & Clinker	11,451.40	(571.54)
b Paints	(1,608.89)	(1,434.76)
	9,842.51	(2,006.30)
c Less : Finance Cost	809.18	929.07
<b>Net Profit / (Loss) before Tax</b>	<b>9,033.33</b>	<b>(2,935.37)</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>3 Segment Assets :</b>		
a Cement & Clinker	149,262.38	128,956.29
b Paints	7,838.32	6,739.58
<b>Total Assets</b>	<b>157,100.70</b>	<b>135,695.87</b>
<b>4 Segment Liabilities :</b>		
a Cement & Clinker	62,244.58	46,797.46
b Paints	2,081.57	733.85
<b>Total Liabilities</b>	<b>64,326.15</b>	<b>47,531.31</b>

**39 Related Party Disclosures****39.1 List of related parties:**

- i. Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital:**
- Pallor Trading Company Private Limited
  - The Mehta International Limited
  - The Mehta International Mauritius Limited
  - Mehta Investments Mauritius Limited
  - Galaxy Technologies Private Limited
  - Omna Enterprises LLP
  - Treasurer's Trading Limited
  - GILC Limited
- ii. Subsidiary Company:**  
Agrima Consultants International Limited
- iii. Key Management Personnel:**
- Mr. M. N. Mehta - Chairman
  - Mr. Jay Mehta - Executive Vice Chairman
  - Mr. M. S. Gilotra - Managing Director
  - Mr. Hemang D. Mehta - Non-Executive Director
  - Mr. Hemnabh R. Khatau - Non-Executive Director
  - Mr. M. N. Sarma - Independent Director \*
  - Mr. M. N. Rao - Independent Director \*\*\*
  - Mr. B. P. Deshmukh - Independent Director \*\*\*
  - Mr. K. N. Bhandari - Independent Director \*\*\*
  - Mr. Bimal R. Thakkar - Independent Director \*\*\*
  - Mr. Ashwani Kumar - Independent Director
  - Mrs. Bhagyam Ramani - Independent Director
  - Mrs. Radhika Samarjitsinh Gaekwad - Independent Director \*\*
  - Mr. Aman P. Khanna - Independent Director \*\*
- \* Appointed w.e.f. May 25, 2023  
\*\* Appointed w.e.f. June 30, 2023  
\*\*\* Ceased to be director w.e.f. April 1, 2024

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## iv. Key Management Personnel of erstwhile Gujarat Sidhee Cement Limited:

- a. Mrs. Juhi Chawla Mehta - Non-Executive Director
- b. Mr. Venkatesh Mysore - Non-Executive Director
- c. Mr. M. L. Tandon - Independent Director
- d. Mr. M. N. Sarma - Independent Director
- e. Mr. Rahul B. Gupta - Non-Executive Director \*
- f. Mrs. Leena Digambar Katdare - Non-Executive Director \*\*

\* Ceased to be director w.e.f. August 19, 2022

\*\* Appointed w.e.f. November 2, 2022

## v. Enterprise over which Key Management Personnel are able to exercise significant influence, with whom there were transactions during the period :

Mehta Private Limited

## 39.2 Transactions and Balances with related parties:

## A Transactions with related parties:

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>i. Compensation paid / payable to Key Management Personnel:</b> (Short-term employee benefits)		
a. Mr. Jay Mehta	765.60	696.93
b. Mr. M. S. Gilotra	530.77	570.49
As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity and compensated absences (to the extent of unavailed leave).		
<b>ii. Transactions with Subsidiary Company:</b>		
a. Rent / Expenses reimbursements	69.40	67.82
b. Recovery for services	-	3.54
<b>iii. Transactions with Key Management Personnel:</b>		
a. Directors sitting fees	99.25	103.65
b. Dividend on Equity Shares	1.39	-
<b>iv. Transactions with relatives of Key Management Personnel:</b>		
Dividend on Equity Shares	35.71	-
<b>v. Transactions with Promoter Companies</b>		
Dividend on Equity Shares	696.05	-
<b>vi. Transactions with Key Management Personnel of erstwhile Gujarat Sidhee Cement Limited:</b>		
Directors sitting fees	-	18.23
<b>vii. Transactions with Mehta Private Limited:</b>		
Rent Paid	133.36	110.96

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## B Outstanding Balances as at the year-end

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>i. Key Management Personnel:</b>		
a. Remuneration payable to Mr. Jay Mehta	19.12	-
b. Remuneration payable to Mr. M. S. Gilotra	13.83	-
<b>ii. Personal Guarantee given by Mr. Jay Mehta for Working Capital facility given by HDFC Bank Limited (Refer Note 16.1 and 19.1)</b>		
Working Capital facility outstanding	1,102.03	1.25

## C Terms and conditions of transactions and balances with related parties

- i. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.
- ii. Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.
- iii. There have been no guarantees provided or received for any related party transaction.
- iv. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the current year.

## 40 Capital Management:

The primary objective of Company's Capital Management is to maximize shareholder value without having any adverse impact on interests of other stakeholders. At the same time, company strives to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's Capital Management, debt includes borrowings and current maturities of long term debt and equity includes issued equity share capital, share premium and all other equity.

The Company monitors capital using Net Debt to Equity ratio which is as under :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Total Debt	8,406.38	6,282.84
Cash and Cash Equivalents and Fixed Deposits with Bank	23,908.15	12,237.08
Net Debt (A)	(15,501.77)	(5,954.24)
Total Equity (B)	92,774.55	88,164.56
Net Debt to Equity Ratio (A/B)	NA	NA



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>41 Disclosure pursuant to Ind AS 12 on "Income Taxes"</b>		
<b>41.1 Income Tax expense recognised in the Statement of Profit and Loss:</b>		
<b>i Current Income Tax</b>		
In respect of current year	2,963.08	-
Adjustments in respect of tax of earlier years	-	-
<b>Total Current Income Tax</b>	<b>2,963.08</b>	<b>-</b>
<b>ii Deferred Tax</b>		
In respect of current year origination and reversal of temporary difference	194.10	(754.81)
In respect of MAT credit entitlement	-	-
In respect of MAT credit entitlement of earlier years	164.24	35.98
<b>Total Deferred Tax</b>	<b>358.34</b>	<b>(718.83)</b>
<b>Income Tax expense</b>	<b>3,321.42</b>	<b>(718.83)</b>
<b>41.2 Income Tax charge / (credit) recognised in Other Comprehensive Income:</b>		
<b>Deferred Tax</b>		
In respect of remeasurement gain / (loss) of defined benefit plan	(9.64)	(13.58)
<b>41.3 Classification of Income Tax charge / (credit) recognised in Other Comprehensive Income:</b>		
Income Tax charge / (Credit) related to items that will not be reclassified to profit or loss	(9.64)	(13.58)
<b>41.4 Reconciliation of Income Tax Expense with the accounting profit multiplied by Company's tax rate</b>		
Accounting Profit before Tax	9,033.33	(2,935.37)
Applicable Tax Rate *	34.94%	34.94%
Computed Tax Expense	3,156.61	(1,025.74)
Effect of non deductible items	1,174.65	459.22
Effect of deductible items	(47.07)	(378.03)
Effect of unused tax losses	-	944.55
Effect of brought forward tax losses	(962.41)	-
Effect of deductions under Chapter VI-A	(358.70)	-
Adjustment of MAT Credit entitlement of earlier years	164.24	35.98
Deferred Tax adjustment	194.10	(754.81)
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<b>3,321.42</b>	<b>(718.83)</b>
Effective Tax Rate	36.77%	24.49%

\* The tax rate used for reconciliation is the corporate tax rate of 34.94% (Previous Year: 34.94%) payable by corporate entities in India on taxable profits under Income-tax Act, 1961.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>41.5 Deductible temporary differences arising from investment in subsidiary on which DTA has not been recognised</b>	<b>407.98</b>	449.08

The Company has not recognised Deferred Tax Asset on deductible temporary difference arising from investment in subsidiary as the Management does not expect that there will be sufficient taxable income in the form of Capital Gains against which the Capital Loss on the said temporary difference can be utilised.

₹ in lakhs

Particulars	As at April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2024
<b>41.6 Components of Deferred Tax</b>					
<b>a. Deferred Tax Assets</b>					
Provision for Impairment	1,606.65	224.12	-	-	1,830.77
Provision for expenses allowable on cash basis	1,475.38	63.04	-	-	1,538.42
Provision for Gratuity & Leave encashment	756.17	169.75	9.64	-	935.56
Unused tax losses - Unabsorbed Depreciation	944.55	(944.55)	-	-	-
MAT Credit Entitlement	3,222.29	(164.24)	-	(1,282.33)	1,775.72
Lease Liabilities	120.32	(86.60)	-	-	33.72
Others	95.81	296.50	-	-	392.31
	<b>8,221.17</b>	<b>(441.98)</b>	<b>9.64</b>	<b>(1,282.33)</b>	<b>6,506.50</b>
<b>b. Deferred Tax Liabilities</b>					
Property, Plant and Equipment and Intangible Assets	15,454.31	(13.02)	-	-	15,441.29
Right of Use Assets	104.04	(71.07)	-	-	32.97
Others	-	0.45	-	-	0.45
	<b>15,558.35</b>	<b>(83.64)</b>	<b>-</b>	<b>-</b>	<b>15,474.71</b>
<b>Deferred Tax Liabilities / (Asset) (Net)</b>	<b>7,337.18</b>	<b>358.34</b>	<b>(9.64)</b>	<b>1,282.33</b>	<b>8,968.21</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

₹ in lakhs

Particulars	As at April 1, 2022	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2023
<b>a. Deferred Tax Assets</b>					
Provision for Impairment	1,606.65	-	-	-	1,606.65
Provision for expenses allowable on cash basis	1,423.56	51.82	-	-	1,475.38
Provision for Gratuity & Leave encashment	766.03	(23.44)	13.58	-	756.17
Unused tax losses - Unabsorbed Depreciation		944.55			944.55
MAT Credit Entitlement	3,258.28	(35.99)	-	-	3,222.29
Lease Liabilities	48.70	71.62	-	-	120.32
Others	43.14	52.67	-	-	95.81
	<u>7,146.36</u>	<u>1,061.23</u>	<u>13.58</u>	<u>-</u>	<u>8,221.17</u>
<b>b. Deferred Tax Liabilities</b>					
Property, Plant and Equipment and Intangible Assets	15,173.84	280.47	-	-	15,454.31
Right of Use Assets	42.11	61.93	-	-	104.04
	<u>15,215.95</u>	<u>342.40</u>	<u>-</u>	<u>-</u>	<u>15,558.35</u>
<b>Deferred Tax Liabilities / (Asset) (Net)</b>	<u>8,069.59</u>	<u>(718.83)</u>	<u>(13.58)</u>	<u>-</u>	<u>7,337.18</u>

## 42 Share Based Payments

## 42.1 Saurashtra Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 26, 2017, shareholders of the company approved Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 8, 2018 has approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the company as also to retain them. Each option carries the right to the holder to apply for one equity share of the company at par. The salient features of the Scheme are as below:

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars	Details
No. of Options	16,33,253
Date of Grant	February 8, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	Graded Vesting:
	i) 33% of Options granted to be vested at 1 <sup>st</sup> anniversary from the date of grant.
	ii) 33% of Options granted to be vested at 2 <sup>nd</sup> anniversary from the date of grant.
	iii) 34% of Options granted to be vested at 3 <sup>rd</sup> anniversary from the date of grant.
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	75.31
Fair Value on the date of Grant of Option (₹ per share) - Refer below Note	41.55
Method of Settlement	Equity

Erstwhile Gujarat Sidhee Cement Limited had Employee Stock Option Scheme viz. Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017). In accordance with the Scheme, stock options were granted on February 8, 2018.

Pursuant to the Scheme of Amalgamation, during previous year, 1,60,069 options have been granted to eligible employees, in respect of outstanding options of erstwhile Gujarat Sidhee Cement Limited, taking into account the Share Exchange Ratio. The new options granted shall be governed by Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017).

## 42.2 Movement in Options Granted under ESOS 2017

Particulars	As at March 31, 2024 Nos	Weighted average exercise price per option (₹)	As at March 31, 2023 Nos	Weighted average exercise price per option (₹)
Outstanding at the beginning of the year	557,738		443,689	10
Granted during the year	-		-	
Exercised during the year	253,000	10	46,020	10
Forfeited / lapsed during the year	-	10	-	10
No. of Options Granted on amalgamation of erstwhile Gujarat Sidhee Cement Limited	-		160,069	
Outstanding at the end of the year	304,738	10	557,738	10
Options exercisable at the end of the year	304,738	10	557,738	10

The weighted average share price during the period of exercise of options was ₹ 89.13 per share, Previous Year: ₹ 58.22. Weighted average remaining contractual life for the share options outstanding as at March 31, 2024 was 10 months (Previous Year: 1 year and 3 months).

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

## 42.3 Fair Valuation

No options were granted during the year. The fair valuation of option granted during FY 2017-18 have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

- i. Risk Free Rate : 7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)
- ii. Option Life : Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)], which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)
- iii. Expected Volatility \* : 52.89% (Vest 1), 55.72% (Vest 2), 58.15% (Vest 3)
- iv. Dividend Yield : 1.15%

\* Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

42.4 Expenses arising from equity-settled share-based payments to employees debited to the Statement of Profit and Loss is ₹ Nil in current and previous year.

## 43 Disclosure on Financial Instruments

## 43.1 Classification of Financial Assets and Liabilities

Particulars	Note No.	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Financial Assets at Cost less provision for impairment:</b>			
Investments in Subsidiary	3	64.17	-
<b>Financial Assets at amortised cost:</b>			
Trade Receivables	8	8,816.88	7,828.05
Loans	4 and 11	48.11	21.00
Investments	3	0.11	0.11
Cash and Bank Balances	9 and 10	24,928.35	7,681.59
Other Financial Assets	5 and 12	1,230.80	8,351.12
<b>Financial Assets at fair value through Other Comprehensive Income:</b>			
Investments	3	1.47	1.49
<b>Total</b>		<b>35,089.89</b>	<b>23,883.36</b>
<b>Financial Liabilities at amortised cost:</b>			
Term Loan from Banks (Non-current)	16	1,039.55	541.90
Borrowings (Current)	19	7,366.83	5,740.94
Trade payables	20	20,431.90	10,748.20
Lease Liabilities	36	96.50	311.93
Other Financial Liabilities	21	4,846.63	3,268.78
<b>Total</b>		<b>33,781.41</b>	<b>20,611.75</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The fair value of Bank Deposits with more than 12 months maturities & earmarked balances and fair value of borrowed funds approximate carrying value as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 43.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- i. Receivables are evaluated by the Company based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.
- ii. The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.
- iii. The fair values of quoted equity instruments are derived from quoted market prices in active markets.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1** - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Financial Assets at fair value through Other Comprehensive Income:</b>		
Investments - Level 1	0.22	0.15
Investments - Level 3	1.25	1.34
<b>Total</b>	<b>1.47</b>	<b>1.49</b>
There is no transfer between Level 1 and Level 3 during the year.		
<b>Reconciliation of Level 3 Fair Value Measurements :</b>		
Balance as at the beginning of the year	1.34	2.89
Add / (Less) : Changes during the year	(0.09)	(1.55)
Balance as at the end of the year	1.25	1.34

Since the Level 3 investment value is not significant, 1% increase (decrease) in the input will have negligible impact.

## 43.3 Financial Risk Management Framework:

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets comprises of trade and other receivables, cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The Company's activities exposes it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The Company's senior management oversees the management of these risks. They provide assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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

Risk	Exposure Arising From	Measurement	Management
<b>Credit Risk</b>	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
<b>Liquidity Risk</b>	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
<b>Foreign Exchange Risk</b>	Committed commercial transaction mainly import of Steam Coal and Stores and Spares	Sensitivity Analysis, foreign currency movement	Foreign exchange transaction are in the nature of current payment and effected at current exchange rate, in case of transactions under LC - Hedging through forward foreign exchange contracts
<b>Commodity Price Risk</b>	Movement in prices of commodities mainly Imported Steam Coal	Sensitivity Analysis, Commodity price tracking	Orders are placed based on the best price quoted by parties

**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 of interest rate risk and foreign exchange risk in a fluctuating market environment.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

**Foreign Exchange Risk:**

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts, capital expenditure and export of cement.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Trade Payables</b>		
EUR	7.16	-
USD	11,768.98	-
CHF	-	1.71

1% increase / decrease in foreign exchange rate will impact profit before tax by ₹ 117.76 lakhs p.a., Previous Year: ₹ 0.02 lakhs p.a.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**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 to i) overdraft against fixed deposits and ii) Cash Credit. The Company doesn't have foreign currency borrowings. The company parks surplus funds in fixed deposits and avails overdraft against same to meet temporary fund requirement. The interest rate on overdraft is linked with interest rate on fixed deposit. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft. The Cash Credit facility has floating interest rate.

**Interest rate exposure:**

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2024 is ₹ 1,102.03 lakhs, Previous Year: ₹ 1.25 lakhs.

There is no significant interest rate risk in respect of overdraft against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

**Interest rate sensitivity for unhedged exposure:**

1% increase / decrease in interest rate will impact profit before tax by ₹ 11.02 lakhs p.a., Previous Year: ₹ 0.01 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

**Commodity Price Risk:**

Commodity price risk arises due to fluctuation in prices of coal, pet coke and other products. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

**Credit Risk Management:**

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities mainly deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

**Trade Receivables:**

Customer credit is managed as per Company's established policy procedures and control related to customer credit risk management. The Company has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Export sales is mainly against advance payment or letter of credit.

Generally deposits are taken from domestic debtors. Apart from deposit, there is a third party agent area wise. In case any customer defaults, the amount is first recovered from third party agent, then from the agent's commission. Each outstanding customer receivable is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Company does not have higher concentration of credit risks to a single customer.

Total Trade receivable as at March 31, 2024 is ₹ 8,887.83 lakhs, Previous Year: ₹ 7,862.24 lakhs.

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Company makes provision for impairment based on specific identification of debtors. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required. The movement in provision for impairment is as below:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Opening Provision	34.19	23.39
Add: Provided during the year	43.39	10.80
Less: Utilised / written back during the year	6.63	-
<b>Closing Provision</b>	<b>70.95</b>	<b>34.19</b>

**Cash and Cash Equivalent and Bank Deposit:**

Credit Risk on cash and cash equivalent, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

**Liquidity Risk:**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in lakhs

As at March 31, 2024	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	7,366.83	1,039.55	-	8,406.38
Trade payables	20,431.90	-	-	20,431.90
Lease Liabilities	44.04	63.40	-	107.44
Other financial liabilities	4,846.63	-	-	4,846.63

As at March 31, 2023	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	5,740.94	541.90	-	6,282.84
Trade payables	10,748.20	-	-	10,748.20
Lease Liabilities	153.94	190.37	-	344.31
Other financial liabilities	3,268.78	-	-	3,268.78

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

44 During the previous year, the Scheme of Amalgamation of Gujarat Sidhee Cement Limited ("erstwhile GSCL") with the Company ('Scheme') was sanctioned by Hon'ble National Company Law Tribunal (NCLT) Ahmedabad Bench vide order dated March 16, 2023. The Scheme has become effective on March 30, 2023, with January 1, 2022 as appointed date, upon filing of the certified copy of the order passed by NCLT with the Registrar of Companies. In terms of the Scheme, all the assets, liabilities, reserves and surplus of erstwhile GSCL have been transferred to and vested in the Company. Consequent on the Scheme coming into effect and in accordance with the Share Exchange Ratio enshrined in the Scheme, on April 26, 2023, the Company has allotted its 5,40,09,641 equity shares of ₹10/- each (fully paid-up) to the equity shareholders of erstwhile GSCL as on the 'Record Date' fixed for the said purpose. Accordingly, the amount of ₹ 5,400.96 lakhs disclosed as Equity Share Capital Suspense Account as at March 31, 2023 has been transferred to Equity Share Capital.

**45 Disclosure of transactions with Struck off Companies**

The Company does not have any transactions with struck-off companies except below.

Name of the struck off company	Nature of transactions with struck off company	As at March 31, 2024		As at March 31, 2023	
		Balance outstanding ₹ in lakhs	Relationship with the struck off company, if any	Balance outstanding ₹ in lakhs	Relationship with the struck off company, if any
Kulveer Metal Craft Private Limited	Trade Payables	-	-	0.81	-

**46 Additional Regulatory Information**

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- Ratios - Refer Note 47.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, that the Intermediary shall:
  - 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 to or on behalf of the Ultimate Beneficiaries.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- vi. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding, that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Additional Information**

Additional Information pursuant to Clause 7(l) of General Instructions for preparation of Statement of Profit and Loss as given in Part II of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

**47 Disclosure of ratios**

Particulars	Formula	As at March 31, 2024		As at March 31, 2023		% Variance	Reason for variance
		Numerator (₹ in lakhs)	Denominator (₹ in lakhs)	Numerator (₹ in lakhs)	Denominator (₹ in lakhs)		
Current ratio	Current assets / Current liabilities	61,816.50	51,495.20	35,038.80	37,561.66	29%	Increase in current assets, mainly bank balances in the form of Fixed Deposits with Bank and classification of a significant amount into current
Debt-equity ratio	Total Debt / Shareholder's Equity	8,406.38	92,774.55	6,282.84	88,164.56	29%	Increase in bank borrowings
Debt service coverage ratio	Earnings available for debt service / Debt Service	10,918.79	1,005.86	2,307.24	2,278.11	975%	Consequential impact of increase in profit
Return on equity ratio	Net Profit after taxes / Average Shareholder's Equity	5,711.91	90,469.56	(2,216.54)	89,277.08	354%	Increase in profit, mainly due to comparatively lower Cost of Power and Fuel
Inventory turnover ratio	Net Sales / Average Inventory	175,480.20	22,146.90	163,482.17	18,315.06	-11%	
Trade receivables turnover ratio	Revenue from Operations / Average Trade Receivables	176,515.55	8,322.47	164,529.41	6,888.65	-11%	
Trade payables turnover ratio	Purchases / Average Trade Payables	104,807.65	3,927.50	103,206.16	3,780.58	-2%	
Net capital turnover ratio	Revenue from Operations / Working Capital	176,515.55	10,321.30	164,529.41	(2,522.86)	126%	Increase in net working capital, mainly due to classification of a significant amount of Fixed Deposits into current, as stated above
Net profit ratio	Net Profit after taxes / Revenue from Operations	5,711.91	176,515.55	(2,216.54)	164,529.41	340%	Increase in profit, mainly due to comparatively lower Cost of Power and Fuel
Return on capital employed	Earning before interest and taxes / Capital Employed	9,457.20	107,238.64	(2,390.23)	98,489.81	463%	Consequential impact of increase in profit
Return on investment	Dividend on shares / Investment in shares	0.04	65.64	0.05	1.40	-98%	Non receipt of dividend from investment in subsidiary together with partial write back of provision for impairment in its value

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>48 Earnings Per Share</b>		
Basic earnings per share		
Net Profit / (Loss) for the year	5,711.91	(2,216.54)
Weighted average number of equity shares outstanding	110,792,007	110,658,702
Basic earnings per share (in ₹)	5.16	(2.00)
Diluted earnings per share		
Net Profit / (Loss) for the year	5,711.91	(2,216.54)
Weighted average number of equity shares outstanding	110,792,007	110,658,702
Add: Weighted average number of potential equity shares on account of outstanding Employee Stock Options	275,935	445540 *
Weighted average number of equity shares outstanding for diluted EPS	111,067,942	110,658,702
Diluted earnings per share (in ₹)	5.14	(2.00)

\* As the Company has incurred loss during the previous year, dilutive effect of potential equity shares on weighted average number of shares would have an anti-dilutive impact and hence, not considered.

**As per our report of even date attached**

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**

Partner  
Membership No. 030083

Place: Mumbai  
Date: May 28, 2024

**For and on behalf of the Board of Directors**

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

Place: Mumbai  
Date: May 28, 2024

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To

The Members of Saurashtra Cement Limited  
**Report on the Audit of Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Saurashtra Cement Limited ('the Company' or 'the Holding Company'), and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statement of subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the consolidated Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

Key Audit Matter	How was the matter addressed in our audit
<p><b>Revenue recognition - Estimation of incentives to customers</b></p> <p>Revenue from sale of products is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales.</p> <p>The Company sells its products through various channels such as dealers and commission agents (customers) and provides incentives to them in the form of discount, incentives, rebate etc. under various marketing schemes.</p> <p>Certain discounts, incentives and rebates for goods sold during the year are only finalised when the precise amounts are known, and revenue therefore includes an estimate of variable consideration. The variable consideration represents the portion of discounts, incentives and rebates that are not directly deducted on the invoice and involves estimation by the Company.</p> <p>In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end. The unsettled portion of the variable consideration results in discounts, incentives, and rebates due to customers as at year end. This requires an estimation of the revenue taking into consideration these incentives. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</p> <p>The matter has been determined to be a key audit matter in view of volume and complexities in working as well as the involvement of significant estimates by the management.</p> <p>Refer Note Nos 22 and 25 to the consolidated financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding from the management regarding controls relating to recording of incentives and period end outstanding value of performance obligations and tested the operating effectiveness of such controls.</li> <li>- Performing substantive testing by selecting samples using statistical sampling for discounts and rebates transactions recorded during the year as well as period end discounts and rebates accruals and matching the parameters used in the computation with the relevant source documents.</li> <li>- Verified the authorisation for schemes for incentives.</li> <li>- Evaluated the inputs used in the estimation of revenue in context of incentives.</li> <li>- Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes.</li> <li>- Checking completeness of accrual by subsequent settlement (i.e. payments and credit notes) made after year end which relates financial year 2023-24 and accuracy of the data used by the Company for accrual of discounts and rebates using underlying agreements, and debit notes received from customers.</li> <li>- Verified that accounting treatment is in accordance with Ind AS 115 "Revenue from Contracts with Customers".</li> </ul>

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibilities of management and those charged with governance of the consolidated financial statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with reference to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, consolidated total comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The Company's respective Management and Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

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

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

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

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



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in other matters.

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

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

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

#### Other Matters

- We did not audit the financial statements of the subsidiary whose financial Statements reflect total assets of ₹ 64.42 lakhs (before adjustment of consolidation) and net assets of ₹ 64.17 lakhs (before adjustment of consolidation) as at March 31, 2024; total revenue of ₹ 55.84 lakhs (before adjustment of consolidation); total net profit after tax of ₹ 11.80 lakhs (before adjustment of consolidation) and net cash outflows of ₹ 17.47 lakhs (before adjustment of consolidation) for the year ended on that date. These financial statements, other financial information and the auditor's report have been furnished to us by the management of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.
- The financial statements for the year ended March 31, 2023, include the financial information of erstwhile Gujarat Sidhee Cement Limited (GSCL) pursuant to the scheme of amalgamation of GSCL with the Company approved by National Company Law Tribunal vide its order dated March 16, 2023 with January 1, 2022 as appointed date and effective from March 30, 2023. This financial information were audited by the auditors of erstwhile GSCL, whose report was furnished to us and was relied upon by us. We had audited the adjustments made by the management consequent to the amalgamation of GSCL with the Company.

Our opinion on the consolidated financial statements, and our Report on other legal and regulatory requirements below, is not modified in respect of the above matters and our reliance on the work done by and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditor, except for certain matters in respect of audit trail as stated in the paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The consolidated Balance Sheet, the consolidated statement of Profit and Loss including other comprehensive Income, consolidated statement of Changes in Equity and the consolidated statement of Cash Flows dealt with in this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and report of statutory auditor of its subsidiary company, none of the directors of the Group Companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that, 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 Managing Director and Executive Vice Chairman during the year is in accordance with the provisions of section 197 of the Act.
  - h) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 1(i)(vi) below on reporting under Rule 11(g).
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 34 to the consolidated financial statements.
    - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delays in transferring amount which were required to be transferred to the Investor Education and Protection Fund by the Group.

- (iv) (a) The Managements of the Holding Company and its subsidiary company whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management of the Holding Company and its subsidiary company have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company 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) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance with Section 123 of the Act.

As stated in Note 14.6 to the consolidated financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- (vi) Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Holding Company and its subsidiary company whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software
- The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts by the Holding Company.
  - The feature of recording audit trail (edit log) facility was not enabled, for a portion of the year in one of the accounting software used for maintaining books of accounts by the Holding Company; the audit trail feature was enabled from June 15, 2023 for the tables related to financial information.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of section 143 (11) of the Act, the matters specified in the paragraphs 3 (xxi) of CARO in respect of qualification or adverse remarks in CARO report on the standalone financial statements of the respective companies included in the consolidated financial statements of the Holding Company is reported here under:

Sr. No.	Name	CIN	Relationship with the Holding Company	Paragraph number in the respective CARO reports
1	Saurashtra Cement Limited	L26941GJ1956PLC000840	Holding Company	(i)(c), (ii)(b), (xiv) (a)
2	Agrima Consultants International Limited	U74210MH1988PLC047543	Subsidiary Company	No adverse comment

**For, Manubhai & Shah LLP**  
Chartered Accountants  
Firm Registration No. 106041W /W100136

**(K C Patel)**  
Partner

Membership No. 030083  
UDIN: 24030083BKBEND9510

**Place :** Mumbai  
**Date :** May 28, 2024

## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Saurashtra Cement Limited of even date)

#### Report on the Internal Financial Controls with reference to aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of Saurashtra Cement Limited ('the Company') as of and for the year ended March 31, 2024, we have also audited the internal financial controls with reference to consolidate financial statement of the Company.

#### Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the 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 ICAI (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

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

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

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

#### Meaning of Internal Financial Controls with reference to Financial Statements

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 financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

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

#### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

#### Opinion

In our opinion, the Company and its subsidiary company, which is company incorporated in India, have, in all material respects, an adequate internal financial control with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note.

#### Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to a subsidiary company, is based on the corresponding report of the auditors of the subsidiary company.

**For, Manubhai & Shah LLP**  
Chartered Accountants  
Firm Registration No. 106041W /W100136

**(K C Patel)**  
Partner

Membership No. 030083  
UDIN: 24030083BKBEND9510

**Place :** Mumbai  
**Date :** May 28, 2024

**CONSOLIDATED BALANCE SHEET**

AS AT MARCH 31, 2024

	Note	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	83,435.18	78,668.66
(b) Capital Work-in-Progress	2	3,041.98	5,037.50
(c) Right of Use Assets	2	986.21	1,202.83
(d) Goodwill	2	222.47	222.47
(e) Intangible Assets	2	2,582.12	3,001.23
(f) Intangible Assets under Development	2	105.91	71.07
(g) Financial Assets			
(i) Investments	3	1.83	1.85
(ii) Loans	4	20.96	9.58
(iii) Other Financial Assets	5	920.53	8,193.78
(h) Other Non-Current Assets	6	3,958.24	4,273.85
<b>SUB-TOTAL</b>		<b>95,275.43</b>	<b>100,682.82</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	7	26,262.10	18,031.69
(b) Financial Assets			
(i) Trade Receivables	8	8,816.88	7,828.05
(ii) Cash and Cash Equivalents	9	862.50	800.56
(iii) Bank Balances other than (ii) above	10	24,074.29	6,906.94
(iv) Loans	11	27.15	11.42
(v) Other Financial Assets	12	355.02	172.12
(c) Other Current Assets	13	1,427.58	1,314.87
<b>SUB-TOTAL</b>		<b>61,825.52</b>	<b>35,065.65</b>
<b>TOTAL ASSETS</b>		<b>157,100.95</b>	<b>135,748.47</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	11,098.25	5,671.99
(b) Equity Share Capital Suspense Account	44	-	5,400.96
(c) Other Equity	15	81,676.30	77,143.98
<b>SUB-TOTAL</b>		<b>92,774.55</b>	<b>88,216.93</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,039.55	541.90
(ii) Lease Liabilities	36	59.06	179.55
(b) Provisions	17	2,764.13	1,911.02
(c) Deferred Tax Liabilities (Net)	18	8,968.21	7,337.18
<b>SUB-TOTAL</b>		<b>12,830.95</b>	<b>9,969.65</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	7,366.83	5,740.94
(ii) Lease Liabilities	36	37.44	132.38
(iii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		891.53	420.27
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		19,540.62	10,328.16
(iv) Other Financial Liabilities	21	4,846.63	3,268.78
(b) Other Current Liabilities	22	17,312.94	16,653.75
(c) Provisions	23	836.50	1,017.61
(d) Current Tax Liabilities (Net)	24	662.96	-
<b>SUB-TOTAL</b>		<b>51,495.45</b>	<b>37,561.89</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>157,100.95</b>	<b>135,748.47</b>
<b>Material Accounting Policies and Notes are an integral part of the Consolidated Financial Statements</b>	1 to 49		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 030083

Place: Mumbai  
Date : May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

Place: Mumbai  
Date : May 28, 2024

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2024

	Note	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
Revenue from Operations	25	176,515.55	164,529.41
Other Income	26	3,552.47	1,308.55
<b>Total Income</b>		<b>180,068.02</b>	<b>165,837.96</b>
<b>Expenses</b>			
(a) Cost of Materials Consumed	27	26,969.00	23,912.25
(b) Purchases of Stock-in-trade	28	337.51	161.41
(c) Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	29	1,470.79	806.86
(d) Employee Benefits Expense	30	11,214.00	9,781.73
(e) Finance Costs	31	809.18	929.07
(f) Depreciation and Amortisation Expenses	2	4,708.58	3,886.92
(g) Other Expenses	32	123,538.48	129,272.08
<b>Total Expenses</b>		<b>169,047.54</b>	<b>168,750.32</b>
<b>Profit / (Loss) before Exceptional Items and tax</b>		<b>11,020.48</b>	<b>(2,912.36)</b>
Exceptional Items	33	(2,035.30)	-
<b>Profit / (Loss) before tax</b>		<b>8,985.18</b>	<b>(2,912.36)</b>
Tax Expense	41		
(a) Current tax		2,967.30	5.79
(b) Deferred tax		358.34	(718.83)
<b>Total Tax Expense</b>		<b>3,325.64</b>	<b>(713.04)</b>
<b>Profit / (Loss) for the year</b>		<b>5,659.54</b>	<b>(2,199.32)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		(27.58)	(38.87)
(b) Effect of measuring Equity Instruments on Fair Value		(0.02)	(1.54)
(c) Income tax on (a)		9.64	13.58
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b>(17.96)</b>	<b>(26.83)</b>
<b>Total Comprehensive Income for the year</b>		<b>5,641.58</b>	<b>(2,226.15)</b>
<b>Earnings per Equity Share of Face Value of ₹ 10 each :</b>			
(a) Basic (₹ per share)	49	5.11	(1.99)
(b) Diluted (₹ per share)	49	5.10	(1.99)
<b>Material Accounting Policies and Notes are an integral part of the Consolidated Financial Statements</b>	1 to 49		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 030083

Place: Mumbai  
Date : May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

Place: Mumbai  
Date : May 28, 2024

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

### A. EQUITY SHARE CAPITAL

(₹ In lakhs)		Balance as at March 31, 2024	
Balance as at April 1, 2023	Changes during the year due to prior period errors	Restated Balance as at April 1, 2023	Changes during the year
5,671.99	-	5,671.99	5,426.26
(₹ In lakhs)		11,098.25	
Balance as at April 1, 2022	Changes during the year due to prior period errors	Restated Balance as at April 1, 2022	Changes during the year
5,665.55	-	5,665.55	6.44
(₹ In lakhs)		5,671.99	

### B. EQUITY SHARE CAPITAL SUSPENSE ACCOUNT

(₹ In lakhs)		Balance as at March 31, 2024	
Balance as at April 1, 2023	Changes during the year due to prior period errors	Restated Balance as at April 1, 2023	Changes during the year
5,400.96	-	5,400.96	(5,400.96)
(₹ In lakhs)		-	
Balance as at April 1, 2022	Changes during the year due to prior period errors	Restated Balance as at April 1, 2022	Changes during the year
5,389.80	-	5,389.80	11.16
(₹ In lakhs)		5,400.96	

### C. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve (Refer Note 15)	Capital Redemption Reserve	Securities Premium	Share Options Outstanding		
Balance at the beginning of the Reporting Period i.e. As at April 1, 2022	6.10	4,413.07	737.60	12,181.80	460.36	(1,035.09)	79,369.08
Loss for the year	-	-	-	-	-	(2,199.32)	(2,199.32)
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	(1.54)	(1.54)
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	(25.29)	(25.29)
Total Comprehensive Income for the year	-	-	-	-	-	(2,224.61)	(2,224.61)
Issue of Equity Shares	(1.83)	-	-	-	-	(1.54)	(1.54)
Issue of Equity Shares *	(4.27)	-	-	-	-	-	(1.83)
Investments measured at Fair Value through Other Comprehensive Income written off	-	-	-	-	-	-	(4.27)
Exercise of Employee Stock Options	-	-	-	48.44	(48.44)	-	-
Exercise of Employee Stock Options *	-	-	-	46.47	(46.47)	-	-
Transfer of balance in Forfeited Equity Shares	-	0.31	-	-	-	-	0.31
Capital Reserve on Amalgamation	-	6.84	-	-	-	-	6.84
Balance at the end of the Reporting Period i.e. As at March 31, 2023	-	4,420.22	737.60	12,276.71	365.45	(1.50)	77,143.98
Balance at the beginning of the Reporting Period i.e. As at April 1, 2023	-	4,420.22	737.60	12,276.71	365.45	(1.50)	77,143.98
Profit for the year	-	-	-	-	-	53,559.21	53,559.21
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	(0.02)	(0.02)
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	(17.94)	(17.94)
Total Comprehensive Income for the year	-	-	-	-	-	5,641.60	5,641.60
Dividend on Equity Shares [Refer Note 14.6(i)]	-	-	-	-	-	(1,109.26)	(1,109.26)
Exercise of Employee Stock Options	-	-	-	166.38	(166.38)	-	-
Balance at the end of the Reporting Period i.e. As at March 31, 2024	-	4,420.22	737.60	12,443.09	199.07	(1.52)	81,676.30

\*of erstwhile Gujarat Sidhee Cement Limited

As per our report of even date attached

For **MANUBHAI & SHAH LLP**

Chartered Accountants

Firm Registration No. 106041W / W100136

**K C Patel**

Partner

Membership No. 030083

Place: Mumbai

Date : May 28, 2024

For and on behalf of the Board of Directors

**Jay Mehta**

Executive Vice Chairman

(DIN:00152072)

**M. S. Gilotra**

Managing Director

(DIN:00152190)

Place: Mumbai

Date : May 28, 2024

**V. R. Mohnot**

Chief Financial Officer

(M.No.F082324)

**Sonali Sanas**

Chief Legal Officer, CS & Strategy

(M.No.A16690)

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31, 2024

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before Tax</b>	<b>8,985.18</b>	(2,912.36)
Adjustments for :		
Add: Finance Costs	<b>809.18</b>	929.07
Loss on Sale / Discard of Property, Plant and Equipment (Net)	<b>23.23</b>	58.22
Provision for Doubtful Debts	<b>43.39</b>	10.79
Bad Debts Written Off	<b>6.40</b>	-
Employee Benefit Expense at amortised cost	<b>3.48</b>	2.06
Investments written off	-	0.15
Depreciation and Amortisation Expense	<b>4,708.58</b>	3,886.92
	<b>5,594.26</b>	4,887.21
Less: Interest Income	<b>(1,123.59)</b>	(958.74)
Dividend Income	<b>(0.08)</b>	(0.10)
Unrealised Foreign Exchange Gain (Net)	<b>(71.40)</b>	-
Liabilities for Expenses no longer payable Written Back	<b>(1,812.02)</b>	(17.37)
Trade / Other Payables Written Back	<b>(58.60)</b>	(86.25)
Provision for Doubtful Debts Written Back	<b>(6.63)</b>	-
Gain on Termination of Lease	<b>(16.44)</b>	-
	<b>(3,088.76)</b>	(1,062.46)
<b>Operating Profit before Working Capital changes</b>	<b>11,490.68</b>	912.39
Adjustments for increase / decrease in:		
Trade Payables, Financial Liabilities and Other Current Liabilities	<b>13,714.15</b>	2,879.61
Provisions	<b>474.09</b>	(67.10)
Long-term Loans, Financial Assets and Other Non-Current Assets	<b>76.39</b>	(56.06)
Inventories	<b>(8,230.41)</b>	566.73
Trade Receivables	<b>(1,031.99)</b>	(1,889.60)
Short-term Loans, Financial Assets and Other Current Assets	<b>(177.17)</b>	123.91
	<b>4,825.06</b>	1,557.49
<b>Cash Generated from Operations</b>	<b>16,315.74</b>	2,469.88
Less: Direct Taxes Payments (Net)	<b>(805.26)</b>	(324.64)
<b>Net Cash Generated from Operating Activities</b>	<b>15,510.48</b>	2,145.24
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	<b>(6,843.32)</b>	(3,894.04)
Proceeds from Sale of Property, Plant and Equipment	<b>126.51</b>	83.84
Decrease / (Increase) in Bank Deposits	<b>(9,989.70)</b>	6,019.50
Interest income on Bank Deposits	<b>992.54</b>	1,035.58
Dividend Income	<b>0.08</b>	0.10
<b>Net Cash Generated from / (Used in) Investing Activities</b>	<b>(15,713.89)</b>	3,244.98

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares on exercise of Employee Stock options	<b>25.30</b>	4.61
Proceeds from issue of shares on exercise of Employee Stock options *	-	13.74
Proceeds from Long-term Borrowings	<b>1,055.00</b>	407.84
Repayment of Long-term Borrowings	<b>(481.61)</b>	(1,581.72)
Proceeds from / (Repayment of) Short-term Borrowings (Net)	<b>1,550.15</b>	(2,836.96)
Payment of Lease Liabilities	<b>(100.38)</b>	(151.25)
Dividend Paid	<b>(1,109.26)</b>	-
Finance Costs Paid	<b>(673.85)</b>	(767.94)
<b>Net Cash Generated from / (Used in) Financing Activities</b>	<b>265.35</b>	(4,911.68)
<b>Net increase in Cash and Cash Equivalents</b>	<b>61.94</b>	478.54
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>800.56</b>	322.02
<b>Cash and Cash Equivalents at the end of the year (Refer Note 9)</b>	<b>862.50</b>	800.56

\* of erstwhile Gujarat Sidhee Cement Limited

Notes:

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**  
Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Particulars	(₹ In lakhs)			
	As at April 1, 2023	Cash Flows	Non Cash Changes	As at March 31, 2024
Short Term Borrowings	5,362.92	1,550.15	-	<b>6,913.07</b>
Long Term Borrowings (including Current maturities)	919.92	573.39	-	<b>1,493.31</b>

Particulars	(₹ In lakhs)			
	As at April 1, 2022	Cash Flows	Non Cash Changes	As at March 31, 2023
Short Term Borrowings	8,199.88	(2,836.96)	-	5,362.92
Long Term Borrowings (including Current maturities)	2,093.80	(1,173.88)	-	919.92

- Purchase of Property, Plant and Equipment includes addition to Intangible Assets, Intangible Assets under Development and adjusted for movement in Capital Work-in-progress and Capital Advances.
- Figures in bracket indicates cash outflows.

**As per our report of even date attached**

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 030083

Place: Mumbai  
Date : May 28, 2024

**For and on behalf of the Board of Directors**

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

Place: Mumbai  
Date : May 28, 2024

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### A Company Overview:

Saurashtra Cement Limited ("the Company" or "the Holding Company") is a Public Limited Company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Ranavav, Gujarat, India. The Company is engaged in the business of manufacturing and selling of Cement and Paints.

### B Principles of Consolidation:

- These Consolidated Financial Statements (CFS) are prepared in accordance with Ind AS 110 - Consolidated Financial Statements, specified under Section 133 of the Companies Act, 2013.
- The financial statements of the Company and its Subsidiary ("the Group") have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.
- The excess of cost to the Company of its investment in the Subsidiary is recognised in the Consolidated Financial Statements as goodwill and the goodwill is amortised over a period of 10 years commencing from the date from which it arises.

### C Subsidiary considered in the Consolidated Financial Statements is:

No.	Name of the Subsidiary Company	Country of Incorporation	Parent's holding as at March 31, 2024	Parent's holding as at March 31, 2023	Financial Year ends
i.	Agrima Consultants International Limited	India	100.00%	100.00%	March 31

### D Material Accounting Policies

#### 1.1 Statement of Compliance:

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act"), amendments thereto and other relevant provisions of the Act.

The consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for publication at its meeting held on May 28, 2024.

#### 1.2 Basis of Preparation and Presentation:

##### a) Basis of Preparation:

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities measured at fair value (Refer Note 1.19 being accounting policy regarding financial instruments)
- Assets held for sale - measured at the lower of its carrying amount and fair value less estimated costs to sell
- Employee's Defined Benefit Plan measured as per actuarial valuation
- Share-based payments measured at fair value
- Assets and liabilities acquired under Business Combination (other than common control Business Combination) measured at fair value

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### b) Functional and Presentation Currency:

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Group and all values are rounded to the nearest lakhs, except when otherwise indicated.

### c) Classification of Assets and Liabilities into Current/Non-current:

- The Group presents assets and liabilities in the Balance Sheet based on Current/Non-current classification.
- The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as twelve months for the purpose of Current/Non-current classification of its Assets and Liabilities.
- An asset is classified as Current when:
  - It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
  - It is held primarily for the purpose of trading; or
  - It is expected to be realised within twelve months after the reporting period; or
  - It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

#### iv. A liability is classified as Current when:

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

All other liabilities are classified as Non-current.

#### v. Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

### 1.3 Property, Plant and Equipment (PPE):

- The Group has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and/or any accumulated impairment loss. An item of PPE is recognised as an asset, if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
- Items such as spare parts, stand-by equipment and servicing equipment are recognised under PPE, if those meet the definition thereof and are material, else, such items are classified as inventory.
- The cost comprises of - purchase price (net of recoverable taxes on purchase, subsidy etc.), including import duties, other non-recoverable taxes and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- Items of PPE, which are not yet ready to be capable of operating in the manner intended by management are carried at cost (unless impaired) and are disclosed as "Capital Work-in-progress". Pre-operative Expenditure and cost relating to borrowed funds attributable to the construction or acquisition upto the date asset is ready for use is included under Capital Work-in-Progress. The same is allocated to the respective items of PPE on its completion for satisfactory commercial commencement.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.4 Depreciation / Amortisation:**

- i. Depreciation on PPE is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation (other than Jetty and Premium on Leasehold Land) is provided on the "Straight-line Method" as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The useful lives of items of Property, Plant and Equipment is mentioned below:

Particulars	Years
Factory Buildings	30
Buildings (other than factory buildings)	60
Jetty	Over Lease Period
Plant and Equipment (including continuous process plants)	3-40
Railway siding, weighbridge, rolling stock and locomotives	15
Furniture & Fixtures	10
Vehicles	8
Computers (Other than Servers / Networks)	3
Computers – Servers / Networks	6
Office Equipment (Other than Mobile phones)	5
Mobile phones	3

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

- ii. Where the cost of a part of the asset which is significant to the total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, the Group has determined the useful life of that significant part separately ("Component Accounting"). However, if the useful life of the identified part is higher than the useful life of the related items of PPE, the life of such identified part is restricted upto the life of the related items of PPE. The Group has adopted such basis for the purpose of providing depreciation as per the useful life of tangible items of PPE.
- iii. Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and from the date, the asset is derecognised.
- iv. Freehold land is not depreciated.
- v. Cost of Leasehold Land having Mineral Reserves is amortised based on quantity of limestone/marl extracted during the year out of estimated deposit available for mining.

**1.5 Non-current Assets held for sale:**

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.6 Intangible Assets:**

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life of Intangible assets is mentioned below:

Trademark	- 10 years
Computer Software	- 3 years
Licenses and Permissions	- 3 years

Trademarks with infinite life and Goodwill arising on Business Combination are tested for impairment at each Balance Sheet date.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

**1.7 Leases:****As a Lessee:**

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

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

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

Right-of-use assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

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

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



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Short-term leases and leases of low-value assets:**

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

**As a Lessor:**

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income as per the terms of the lease as part of 'Other Income'.

**1.8 Impairment of Non-financial Assets:**

- i. The Group, at the end of each reporting period, assesses the carrying amounts of Non-financial Assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of that asset is estimated in order to determine the extent of the impairment loss, if any.
- ii. Recoverable amount is the higher of fair value less costs of disposal and value in use. 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. 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 for which the estimates of future cash flows have not been adjusted.
- iii. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.
- iv. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Inventories:**

Inventories are valued as follows:

- i. **Raw materials, Fuels, Stores and spare parts and Packing materials** - At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.
- ii. **Work-in-progress (WIP), Finished goods and Stock-in-trade** - At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

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

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.10 Revenue and Income Recognition:****A Revenue from Contracts with Customers**

- i. Revenue from contracts with customers is recognised when the Group satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Group is expected to be entitled to in exchange for those goods or services. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt or when services are performed.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognized at the time of the sale. Revenue is recognized when the points are redeemed or on expiry.

- ii. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

**B Other Operating Revenue - Export entitlement**

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

**C Income Recognition**

- i. Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer.
- ii. Dividend income from investments is recognised when the Group's right to receive dividend is established.
- iii. Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate.

**1.11 Foreign Currency Transactions:**

- i. Transactions in foreign currency (Monetary or Non-monetary items) are recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items (i.e. receivables, payables, loans etc.), which are denominated in foreign currency are translated at the spot rates of exchange of functional currency at the reporting date.
- iii. Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- iv. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the Consolidated Statement of Profit and Loss for the period in which they arise.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.12 Employee share based payments:**

- i. Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.
- ii. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.
- iii. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.
- iv. The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share.

**1.13 Employee Benefits:**

- i. **Defined contribution plan:** The Company's superannuation scheme and state governed provident fund scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the year in which the employees render the related service.
- ii. **Defined benefit plan - Gratuity:** In accordance with applicable Indian Laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Actuary. The Company has an employees gratuity fund managed by the Life Insurance Corporation of India ("LIC").

Remeasurement 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), is reflected immediately in the Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement is not reclassified to Consolidated Statement of Profit and Loss in subsequent periods. Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment and
  - The date when the Company recognises related restructuring costs
- iii. **Compensated Absences:** As per policy of the Company, it allows for the encashment of absence or absence with pay to its employees. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the year in which the employees render the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an Actuarial valuation. Actuarial gains/losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred.
  - iv. **Other short term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered and is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.14 Borrowing Costs:**

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalised, net of income earned on temporary investments from such borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Consolidated Statement of Profit and Loss as expense in the year in which the same are incurred.

**1.15 Segment Reporting:**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions and for which discrete financial information is available. Operating segment is reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

**1.16 Taxation:****i. Current Tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period in accordance with the provisions of the Income-tax Act, 1961.

**ii. Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Tax relating to items recognised in equity or OCI is recognised directly in equity or OCI and not in the Consolidated Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

The deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The Company offsets on a year on year basis, the deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets and liabilities and where it intends to settle such assets and liabilities on a net basis.

**1.17 Provisions, Contingent Liabilities and Contingent Assets:**

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

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

- ii. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.
- iii. Contingent assets are neither recognised nor disclosed.

**1.18 Mines Restoration Obligation:**

The Company provides for the costs of restoring a mine where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a mine-by-mine basis and are calculated based on the present value of estimated future cash out flows. The amount provided for is recognised, as soon as the obligation to incur such costs arises with the corresponding amount being capitalised. These costs are charged to the Consolidated Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision.

The costs are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the operation to which they relate. The unwinding of the discount is shown as a finance cost in the Consolidated Statement of Profit and Loss.

**1.19 Financial Instruments:**

- i. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
- ii. Financial assets:

**Initial recognition and measurement:**

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

**Subsequent measurement:**

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

- Financial Assets at amortised cost
- Equity investments measured at fair value through Other Comprehensive Income (FVTOCI)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- iii. Debt instruments at amortised cost:

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- iv. Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However the Group may transfer the cumulative gain or loss within equity. The Group has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- v. Derecognition of financial asset:

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

- vi. Impairment of financial assets:

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Group's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for doubtful debts based on specific identification. The Group will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

- vii. Financial liabilities:

**Initial recognition and measurement:**

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

**Subsequent measurement:**

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

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Financial liabilities at fair value through profit or loss**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

## viii. Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

## ix. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

## x. Offsetting of financial instruments:

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

**1.20 Fair Value Measurement:**

- i. 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 under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability
- ii. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- iv. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  - Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
  - Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.
- v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

**1.21 Cash and Cash Equivalents:**

Cash and cash equivalents in the Consolidated Balance Sheet comprise cash at banks and in hand and short-term deposits with banks with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value.

**1.22 Business Combination:**

Business combinations (other than common control business combinations) are accounted for using the acquisition method. The consideration transferred by the Group to obtain control of a business is measured at fair value at acquisition date and includes the fair value of any contingent consideration.

Acquisition related costs are recognised in the Consolidated Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. However, deferred tax asset or liability and any asset or liability relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Group after assessing fair value of all identified assets and liabilities, records the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity.

**1.23 Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**1.24 Earnings Per Share:**

- i. Basic Earnings per share (EPS) is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- ii. Diluted EPS is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders adjusted for the effects of potential dilution of equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**1.25 Standards issued but not yet effective:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

**E Critical accounting judgements, estimates and assumptions:**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. 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. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

**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 Group has based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**i. Useful Lives of Property, Plant and Equipment:**

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

**ii. Fair value measurement of financial instruments:**

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

**iii. Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**iv. Defined benefit plans:**

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

**v. Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take into account of changing facts and circumstances.

**vi. Share-based payments:**

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

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

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.

**vii. Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**viii. Mines Restoration Obligation:**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT, ETC.

	Gross Block			Depreciation, Amortisation and Impairment			Net Block	
	As at April 1, 2023	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2024	As at April 1, 2023	For the Year	Deductions / Adjustments	As at March 31, 2024
					As at April 1, 2023			As at March 31, 2024
<b>Property, Plant and Equipment</b>								
Freehold land [Refer Note (iii)]	37,276.92	-	-	37,276.92	-	-	-	37,276.92
Leasehold land [Refer Notes (i), (ii) and (iii)]	322.99	4,261.78	-	4,584.77	89.45	74.57	164.02	4,420.75
Buildings and Jetty [Refer Notes (iii), (iv) and (v)]	15,753.85	53.29	-	15,807.14	7,397.52	397.25	7,794.77	8,012.37
Plant and Equipment	77,361.35	2,320.47	143.10	79,538.72	48,779.23	2,093.28	50,752.94	28,785.78
Furniture and Fixtures	3,551.22	111.29	820.26	2,842.25	2,089.78	241.83	1,551.63	1,290.62
Vehicles	4,661.81	1,363.24	383.96	5,641.09	2,635.41	451.85	2,782.74	2,858.35
Office equipment	2,742.79	311.77	464.21	2,590.35	2,098.45	230.51	1,878.93	711.42
Railway siding, weighbridge, rolling stock and locomotives	252.60	-	-	252.60	165.03	8.60	173.63	78.97
<b>Total</b>	<b>141,923.53</b>	<b>8,421.84</b>	<b>1,811.53</b>	<b>148,533.84</b>	<b>63,254.87</b>	<b>3,497.89</b>	<b>65,098.66</b>	<b>83,435.18</b>
<b>Capital Work-in-Progress</b>	<b>9,635.28</b>	<b>659.60</b>	<b>2,013.75</b>	<b>8,281.13</b>	<b>4,597.78</b>	<b>641.37</b>	<b>5,239.15</b>	<b>3,041.98</b>
[Refer Notes (vi), (vii), (viii) and (ix)]								
<b>Right of Use Assets</b> [Refer Note 35]	<b>1,348.68</b>	<b>94.38</b>	<b>376.20</b>	<b>1,066.86</b>	<b>145.85</b>	<b>104.13</b>	<b>80.65</b>	<b>986.21</b>
<b>Goodwill</b>	<b>317.74</b>	<b>-</b>	<b>-</b>	<b>317.74</b>	<b>95.27</b>	<b>-</b>	<b>95.27</b>	<b>222.47</b>
<b>Other Intangible Assets</b>								
Other than internally generated								
Trademarks	2,163.11	-	-	2,163.11	66.01	34.42	100.43	2,062.68
Computer softwares	1,602.79	46.40	207.78	1,441.41	798.07	418.47	1,009.08	432.33
Licenses and Permissions	123.00	-	-	123.00	23.59	12.30	35.89	87.11
<b>Total</b>	<b>3,888.90</b>	<b>46.40</b>	<b>207.78</b>	<b>3,727.52</b>	<b>887.67</b>	<b>465.19</b>	<b>1,145.40</b>	<b>2,582.12</b>
<b>Intangible Assets under Development</b> [Refer Notes (x) and (xi)]	<b>71.07</b>	<b>34.84</b>	<b>-</b>	<b>105.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105.91</b>
<b>Grand Total</b>	<b>157,185.20</b>	<b>9,257.06</b>	<b>4,409.26</b>	<b>162,033.00</b>	<b>68,981.44</b>	<b>4,708.58</b>	<b>71,659.13</b>	<b>88,203.76</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT, ETC. (CONTD.)

	Gross Block			Depreciation, Amortisation and Impairment			Net Block	
	As at April 1, 2022	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2023	As at April 1, 2022	For the Year	Deductions / Adjustments	As at March 31, 2023
					As at April 1, 2022			As at March 31, 2023
<b>Property, Plant and Equipment</b>								
Freehold land [Refer Note (iii)]	37,276.92	-	-	37,276.92	-	-	-	37,276.92
Leasehold land [Refer Notes (i), (ii) and (iii)]	322.99	-	-	322.99	84.90	4.55	-	233.54
Buildings and Jetty [Refer Notes (iii), (iv) and (v)]	15,139.47	614.38	-	15,753.85	7,033.40	364.12	-	8,356.33
Plant and equipments	74,947.82	2,858.18	444.65	77,361.35	47,125.47	2,039.25	385.49	28,582.12
Furniture and Fixtures	3,988.02	253.69	690.49	3,551.22	2,519.42	235.43	665.07	1,461.44
Vehicles	4,404.48	516.18	258.85	4,661.81	2,447.82	404.56	216.97	2,026.40
Office equipments	2,896.34	157.24	310.79	2,742.79	2,158.25	235.58	295.38	644.34
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	4.20	252.60	160.42	8.60	3.99	87.57
<b>Total</b>	<b>139,232.84</b>	<b>4,399.67</b>	<b>1,708.98</b>	<b>141,923.53</b>	<b>61,529.68</b>	<b>3,292.09</b>	<b>1,566.90</b>	<b>78,668.66</b>
<b>Capital Work-in-Progress</b> [Refer Notes (vi), (vii), (viii) and (ix)]	<b>11,450.44</b>	<b>769.86</b>	<b>2,585.02</b>	<b>9,635.28</b>	<b>4,597.78</b>	<b>-</b>	<b>-</b>	<b>5,037.50</b>
<b>Right of Use Assets</b> [Refer Note 35]	<b>1,357.47</b>	<b>312.18</b>	<b>320.97</b>	<b>1,348.68</b>	<b>318.65</b>	<b>148.17</b>	<b>320.97</b>	<b>1,202.83</b>
<b>Goodwill</b>	<b>317.74</b>	<b>-</b>	<b>-</b>	<b>317.74</b>	<b>95.27</b>	<b>-</b>	<b>-</b>	<b>222.47</b>
<b>Other Intangible Assets</b>								
Other than internally generated								
Trademarks	2,163.11	-	-	2,163.11	31.59	34.42	-	66.01
Computer softwares	468.50	1,134.43	0.14	1,602.79	398.27	399.94	0.14	798.07
Licenses and Permissions	123.00	-	-	123.00	11.29	12.30	-	23.59
<b>Total</b>	<b>2,754.61</b>	<b>1,134.43</b>	<b>0.14</b>	<b>3,888.90</b>	<b>441.15</b>	<b>446.66</b>	<b>0.14</b>	<b>887.67</b>
<b>Intangible Assets under Development</b> [Refer Notes (x) and (xi)]	<b>984.82</b>	<b>218.83</b>	<b>1,132.58</b>	<b>71.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71.07</b>
<b>Grand Total</b>	<b>156,097.92</b>	<b>6,834.97</b>	<b>5,747.69</b>	<b>157,185.20</b>	<b>66,982.53</b>	<b>3,886.92</b>	<b>1,888.01</b>	<b>88,203.76</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- i. Besides the land specified above, the Group holds other leasehold land for which only ground rent is payable.
- ii. Leasehold land at Cement Plants is acquired for mining purpose. The land can be transferred with the permission of the Collector.
- iii. Details of Immovable Properties whose Title deeds are not held in the name of the Company:

Description of item of property	Gross carrying amount ₹ in lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in name of the company
Freehold Land, Buildings at Sidheegram Plant	31,156.62	Gujarat Sidhee Cement Limited	No	January 1, 2022	The Title deeds are held in the name of erstwhile Gujarat Sidhee Cement Limited which has amalgamated with the Company with effect from March 30, 2023 (Appointed date being January 1, 2022); the change of name on the title deeds from erstwhile Gujarat Sidhee Cement Limited to Saurashtra Cement Limited is under process.
Leasehold Land at Sidheegram Plant	322.89	Gujarat Sidhee Cement Limited	No	January 1, 2022	
Commercial Office in Daman	1.71	Gujarat Sidhee Cement Limited	No	January 1, 2022	
Leasehold Land at Sidheegram Plant	4,104.04	Bharat Chemical Industries	No	February 26, 2024	Deed for Transfer of Mining Lease between the Company, Bharat Chemical Industries and the State Government has been executed. Change of Name in the Land Revenue Records is under process.

- iv. Buildings and Jetty include a Private Jetty having a gross block of ₹ 2,589.70 lakhs (Previous Year: ₹ 2,589.70 lakhs), net block of ₹ 216.33 lakhs (Previous Year: ₹ 271.27 lakhs), constructed by the Company under the license to use agreement with Gujarat Maritime Board (GMB) on the land provided by them. The present agreement is for 10 years effective from November 01, 2015 and valid upto October 31, 2025.
- v. Residential Flat in Mumbai has been mortgaged in favour of HDFC Bank Limited as security for providing Bank Guarantees and Letters of Credit.
- vi. The deductions under Plant and Equipment includes an amount of ₹ 31.00 lakhs (Previous Year: ₹ Nil) for Gross Block and ₹ 22.98 lakhs (Previous Year: ₹ Nil) for Accumulated Depreciation, in respect of certain machineries held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## vii. Impairment of Assets:

- a. The Company had incurred an aggregate sum of ₹ 8,107.17 lakhs (Previous Year: ₹ 8,107.17 lakhs) towards Expansion Project Assets and shown the same under Capital Work-in-progress (CWIP). The expenditure includes cost of imported plant purchased (including related stores and spares), civil work carried out and pre-operative expenses (including interest capitalised). During earlier years, spares of the value of ₹ 269.02 lakhs were consumed. Balance of ₹ 7,838.15 lakhs for this project is included in closing balance of CWIP.
- b. In the year 2005, due to several adversities, the project was suspended. However, the Company intends to install the assets at a later date, depending on market conditions. Therefore, considering utilisation of assets in future, the Expansion Project Assets have been valued by a project consultant. Based on the valuation report obtained from the project consultant, the aggregate provision for impairment as at March 31, 2024 is ₹ 5,239.15 lakhs (Previous Year: ₹ 4597.78 lakhs) which includes an amount of ₹ 641.37 lakhs as additional provision for impairment made during the year ended March 31, 2024.

## viii. Capital Work-in-Progress: Ageing

As at March 31, 2024

₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	421.98	-	21.00	-	442.98
Projects temporarily suspended [(Refer Note (vii))]	-	-	-	2,599.00	2,599.00
	421.98	-	21.00	2,599.00	3,041.98

As at March 31, 2023

₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	338.86	1,069.78	169.08	165.46	1,743.18
Projects temporarily suspended [(Refer Note (vii))]	-	-	-	3,294.32	3,294.32
	338.86	1,069.78	169.08	3,459.78	5,037.50

## ix. Capital Work-in-Progress: Completion Schedule

Capital-work-in progress, whose completion is overdue compared to its original plan.

As at March 31, 2024

₹ in lakhs

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Improvements within Cement Plant	-	-	-	21.00
N2 purging system nozzles for Coal Mill	-	-	-	-
Projects temporarily suspended	-	-	-	-
Expansion Project [(Refer Note (vii))]	-	-	-	2,599.00





## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>4 Loans</b>		
Considered Good - Unsecured		
Staff Loans	20.96	9.58
	<u>20.96</u>	<u>9.58</u>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>5 Other Financial Assets</b>		
Security Deposits		
For supply of Power - credit impaired	195.79	224.27
Other Deposits	264.03	356.95
	<u>459.82</u>	<u>581.22</u>
Less : Provision for impairment	(195.79)	(224.27)
	<u>264.03</u>	<u>356.95</u>
Fixed Deposits with Banks (Maturity greater than 12 months from the date of Consolidated Balance Sheet)		
Kept as Margin money against Guarantees and Letters of Credit	14.33	1,520.34
Kept as Security against Overdraft (Refer Note 19.1)	206.91	3,822.27
Other Deposits	435.26	2,494.22
	<u>920.53</u>	<u>8,193.78</u>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>6 Other Non-Current Assets</b>		
Capital Advances	2,514.13	2,661.99
Advances other than Capital Advances		
Taxes Paid (Net of Provision of ₹ 4.22 lakhs, Previous Year: ₹ 5.79 lakhs)	973.15	1,189.90
Pre-deposit Balances with Statutory / Government Authorities against Appeals	380.22	407.78
Prepaid Expenses	46.71	14.18
Other Advances	44.03	-
	<u>3,958.24</u>	<u>4,273.85</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>7 Inventories</b>		
Raw Materials (includes in transit of ₹ 3.06 lakhs, Previous Year: ₹ 2.80 lakhs)	3,107.51	3,747.49
Packing Materials	495.04	494.79
Work-in-progress	3,455.01	5,114.05
Finished Goods	2,303.85	2,115.60
Fuels (includes in transit of ₹ 12,798.80 lakhs, Previous Year: ₹ 59.25 lakhs)	14,218.41	3,874.25
Stores and Spare Parts (includes in transit of ₹ 2.23 lakhs, Previous Year: ₹ 5.08 lakhs)	2,682.28	2,685.51
	<u>26,262.10</u>	<u>18,031.69</u>

The cost of inventories recognised as an expense during the year is disclosed in Notes 27, 28, 29 and 32.

For mode of valuation of inventories : Refer Note 1.9

Inventories are hypothecated as security for Cash Credit facilities given by HDFC Bank Limited - Refer Note 19.1

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>8 Trade Receivables</b>		
Considered Good - Unsecured	8,816.88	7,828.05
Trade Receivables - credit impaired	70.95	34.19
	<u>8,887.83</u>	<u>7,862.24</u>
Less : Provision for impairment	70.95	34.19
	<u>8,816.88</u>	<u>7,828.05</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 8.1 Trade Receivables Ageing Schedule

As at March 31, 2024								₹ in lakhs
Particulars	Outstanding for following periods from due date of payment						Total	
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Considered Good - Unsecured								
Undisputed	2,703.84	6,011.96	34.13	49.34	2.25	0.02	8,801.54	
Disputed	-	-	-	-	-	15.34	15.34	
Trade Receivables - credit impaired								
Undisputed	-	-	-	-	-	-	-	
Disputed	0.02	12.41	18.99	13.90	8.86	16.77	70.95	
Less : Provision for impairment	(0.02)	(12.41)	(18.99)	(13.90)	(8.86)	(16.77)	(70.95)	
	<b>2,703.84</b>	<b>6,011.96</b>	<b>34.13</b>	<b>49.34</b>	<b>2.25</b>	<b>15.36</b>	<b>8,816.88</b>	

As at March 31, 2023								₹ in lakhs
Particulars	Not due	Outstanding for following periods from due date of payment					Total	
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Considered Good - Unsecured								
Undisputed	3,416.78	4,360.42	22.89	11.70	0.02	0.63	7,812.44	
Disputed	-	-	-	-	-	15.61	15.61	
Trade Receivables - credit impaired								
Undisputed	-	-	-	-	-	-	-	
Disputed	-	0.02	2.03	8.75	-	23.39	34.19	
Less : Provision for impairment	-	(0.02)	(2.03)	(8.75)	-	(23.39)	(34.19)	
	<b>3,416.78</b>	<b>4,360.42</b>	<b>22.89</b>	<b>11.70</b>	<b>0.02</b>	<b>16.24</b>	<b>7,828.05</b>	

8.2 Trade Receivables are hypothecated as security for Cash Credit facilities given by HDFC Bank Limited - Refer Note 19.1

## 8.3 Contract Balances

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Trade Receivables	8,816.88	7,828.05
Contract Liabilities - Advances from Customers (Refer Note 22)	7,478.31	5,677.22

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>9 Cash and Cash Equivalents</b>		
Balances with Banks		
In Current Accounts	862.50	800.56
	<b>862.50</b>	<b>800.56</b>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>10 Bank Balances other than Cash and Cash Equivalents</b>		
Fixed Deposits with Banks (Maturity below 12 months from the date of Consolidated Balance Sheet)		
Kept as Margin Money against Guarantees and Letter of Credit	1,593.91	1,719.86
Kept as Security against Overdraft (Refer Note 19.1)	6,696.87	4,083.90
Other Deposits	15,745.05	1,062.04
	<b>24,035.83</b>	<b>6,865.80</b>
Earmarked Balances	38.46	41.14
For Unpaid Equity Dividend	38.46	41.14
	<b>24,074.29</b>	<b>6,906.94</b>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>11 Loans</b>		
Considered Good - Unsecured		
Staff Loans	27.15	11.42
	<b>27.15</b>	<b>11.42</b>

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>12 Other Financial Assets</b>		
Interest accrued on Fixed Deposits	292.87	166.72
Income Receivable	62.15	5.40
	<b>355.02</b>	<b>172.12</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at	
	March 31, 2024 ₹ in lakhs	March 31, 2023 ₹ in lakhs
<b>13 Other Current Assets</b>		
Considered Good - Unsecured		
Advances		
Balances with Statutory / Government Authorities	475.12	517.40
Advances Against Purchase of Raw Materials, Stores and Spares	369.70	243.38
Prepaid Expenses	164.52	177.91
Other Advances	410.22	376.18
Non-current Assets held for Disposal [Refer Note 2(vi)]	8.02	-
	<b>1,427.58</b>	<b>1,314.87</b>
Considered Doubtful		
Advances Against Purchase of Stores and Spares	24.46	24.46
	<b>1,452.04</b>	<b>1,339.33</b>
Less : Provision for Doubtful advances	24.46	24.46
	<b>1,427.58</b>	<b>1,314.87</b>

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
<b>14 Equity Share Capital</b>				
<b>Authorised</b>				
Equity Shares of ₹ 10 par value	77,27,00,000	77,270.00	77,27,00,000	77,270.00
		77,270.00		77,270.00
<b>Issued</b>				
Equity Shares of ₹ 10 par value	12,46,56,079	12,465.61	7,03,93,438	7,039.34
		12,465.61		7,039.34
<b>Subscribed</b>				
Equity Shares of ₹ 10 par value				
Subscribed and Fully Paid Up	11,09,82,543	11,098.25	5,67,19,902	5,671.99
		11,098.25		5,671.99

## 14.1 Reconciliation of the number of shares outstanding and amount of share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares of ₹ 10 par value				
At the beginning of the year	56,719,902	5,671.99	56,655,521	5,665.55
Add: Shares allotted during the year, pursuant to scheme of Amalgamation (Refer Note 44)	54,009,641	5,400.96	-	-
Shares issued during the year on exercise of employee stock options	253,000	25.30	64,381	6.44
At the end of the year	<b>110,982,543</b>	<b>11,098.25</b>	<b>56,719,902</b>	<b>5,671.99</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 14.2 Rights, Preferences and Restrictions

## Equity Shares

- The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.
- In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. At present, there is no outstanding Preference Shares.
- In respect of share based payments granted to employees (Employee Stock Options), refer Note 42.

## 14.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(Refer para after Note 14.4)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	% to total shares	Numbers	% to total shares
<b>Equity Shares</b>				
Omna Enterprises LLP	1,05,22,431	9.48%	1,05,22,431	18.55%
Mehta Investments Mauritius Limited	2,07,32,819	18.68%	2,01,90,939	35.60%
The Mehta International Mauritius Limited	1,69,51,044	15.27%	-	-
Galaxy Technologies Private Limited	1,62,15,400	14.61%	-	-

## 14.4 Details of shares held by the Promoters

Sr. No.	Name of Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
		Numbers	% to total shares	Numbers	% to total shares	
i.	Sunayanaben M Mehta	6,000	0.01	6,000	0.01	(0.01)
ii.	Jay M Mehta	43,730	0.04	43,110	0.08	(0.04)
iii.	Juhi Chawla Mehta	73,382	0.07	24,650	0.04	0.02
iv.	Radha Mahendra Mehta	5,100	0.00	5,100	0.01	-
v.	Arjun Jay Mehta	16,82,018	1.52	16,56,712	2.92	(1.41)
vi.	Jahnvi Jay Mehta	16,56,713	1.49	16,56,713	2.92	(1.43)
vii.	Medhavini D Mehta	90,634	0.08	90,634	0.16	(0.08)
viii.	Hemang D Mehta	95,584	0.09	95,584	0.17	(0.08)
ix.	Umade D Mehta	26,000	0.02	26,000	0.05	(0.02)
x.	Kamalakshi D Mehta	18,400	0.02	18,400	0.03	(0.02)
xi.	Anisha Hemang Mehta	100	0.00	100	0.00	-
xii.	Devika Kallergis	100	0.00	100	0.00	-
xiii.	Nirmala Ranvir Khatau	-	0.00	12,935	0.02	(0.02)
xiv.	Anandita Sudhir Shah	84,415	0.08	84,415	0.15	(0.07)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
		Numbers	% to total shares	Numbers	% to total shares	
xv.	Subash Chandra Khanna	60,000	0.05	1,30,000	0.23	(0.18)
xvi.	Promilla Khanna	6,50,000	0.59	6,50,000	1.15	(0.56)
xvii.	Arja Shridhar	2,00,000	0.18	2,00,000	0.35	(0.17)
xviii.	Ranvir Morarji Khatau	12,935	0.01	-	-	0.01
xix.	Mehta Investments Mauritius Limited	2,07,32,819	18.68	2,01,90,939	35.60	(16.92)
xx.	The Mehta International Ltd	3,750	0.00	3,750	0.01	-
xxi.	The Mehta International Mauritius Limited	1,69,51,044	15.27	17,73,599	3.13	12.15
xxii.	Pallor Trading Company Private Limited	-	0.00	25,136	0.04	(0.04)
xxiii.	Galaxy Technologies Private Limited	1,62,15,400	14.61	1,23,531	0.22	14.39
xxiv.	Omna Enterprises LLP	1,05,22,431	9.48	1,05,22,431	18.55	(9.07)
xxv.	Gujarat Industrial Investment Corporation Limited	51,16,672	4.61	-	-	4.61
xxvi.	Treasurers Trading Limited	63,085	0.06	-	-	0.06
		<b>7,43,10,312</b>	<b>66.96</b>	<b>3,73,39,839</b>	<b>65.83</b>	<b>1.12</b>

The Company has made allotment of Shares, in the current year, to shareholders of erstwhile Gujarat Sidhee Cement Limited, pursuant to Scheme of Amalgamation. (Refer Note 44)

Entire change in the Number of shares held by shareholders holding more than 5% and in the Number of shares held by promoters (except Subhash Chandra Khanna) as at March 31, 2024, as compared with previous year is due to aforesaid allotment.

## 14.5 Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options (Refer Note 42)	3,04,738	30.47	5,57,738	55.77

- 14.6 i. The Board of Directors at its meeting held on February 12, 2024 declared an interim dividend of ₹ 1 per equity share of the face value of ₹ 10 each for the year ended March 31, 2024.
- ii. Further, the Board of Directors at its meeting held on May 28, 2024 has recommended a final dividend of ₹ 1 per equity share of the face value of ₹ 10 each for the year ended March 31, 2024.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>15 Other Equity</b>		
<b>i. Reserves and Surplus</b>		
<b>a. Capital Reserve</b>		
Government Subsidy	26.95	26.95
Capital Reduction Account	6,921.68	6,921.68
On Amalgamation	(5,250.00)	(5,250.00)
Others	2,721.59	2,721.59
	<b>4,420.22</b>	<b>4,420.22</b>
<b>b. Capital Redemption Reserve</b>	<b>737.60</b>	<b>737.60</b>
<b>c. Securities Premium</b>		
Balance as at the beginning of the year	12,276.71	12,181.80
Add: Exercise of Employee Stock Options	166.38	48.44
Add: Exercise of Employee Stock Options *	-	46.47
	<b>12,443.09</b>	<b>12,276.71</b>
<b>d. Share Options Outstanding</b>		
Balance as at the beginning of the year	365.45	460.36
Less: Exercise of Employee Stock Options	(166.38)	(48.44)
Less: Exercise of Employee Stock Options *	-	(46.47)
	<b>199.07</b>	<b>365.45</b>
<b>e. General Reserve</b>	<b>5,786.29</b>	<b>5,786.29</b>
<b>f. Retained Earnings</b>		
Balance as at the beginning of the year	53,559.21	56,818.95
Add/(Less): Profit / (Loss) for the year	5,659.54	(2,199.32)
Add/(Less): Remeasurement gain / (loss) on defined benefit plan (net of tax)	(17.94)	(25.29)
Less: Transfer from Equity Instruments through OCI on Investments write off	-	(1,035.13)
Less: Appropriations	-	-
Dividend on Equity Shares [Refer Note 14.6(i)]	(1,109.26)	-
	<b>58,091.55</b>	<b>53,559.21</b>
<b>ii. Equity Instruments through Other Comprehensive Income (OCI)</b>		
Balance as at the beginning of the year	(1.50)	(1,035.09)
Add/(Less): Effect of measuring Equity Instruments on Fair Value	(0.02)	(1.54)
Add: Transfer to Retained Earnings on Investments write off	-	1,035.13
	<b>(1.52)</b>	<b>(1.50)</b>
	<b>81,676.30</b>	<b>77,143.98</b>

\* of erstwhile Gujarat Sidhee Cement Limited



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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

**a. Capital Reserve**

It represents reserve created on capital receipt. It also consists of,

- i. reduction of paid up capital of erstwhile Gujarat Sidhee Cement Limited in earlier year in pursuance of Hon'ble BIFR order,
- ii. Government Subsidy received in earlier years and
- iii. Capital reserve on Common Control Business Combination.

**b. Capital Redemption Reserve**

This reserve was created on redemption of Preference Shares by transfer from General Reserve.

**c. Securities Premium**

It represents the amount of premium over face value on shares issued.

**d. Share Options Outstanding**

The Company has Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 42 for further details of the plan.

**e. General Reserve**

The General reserve was created in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. General reserve is a free reserve available to the Company.

**f. Retained Earnings**

Retained Earnings are the profits that the Group has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

**g. Equity Instruments through Other Comprehensive Income**

This represents cumulative gains / (losses) arising on the measurement of equity shares (other than subsidiaries and associate) at fair value through other comprehensive income.

	Non-Current		Current maturities of Long-term borrowings *	
	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>16 Non-Current Borrowings</b>				
Secured				
Term Loans				
From Banks	1,039.55	532.31	444.17	364.64
From Others	-	9.59	9.59	13.38
	<u>1,039.55</u>	<u>541.90</u>	<u>453.76</u>	<u>378.02</u>

\* Amount disclosed under the head 'Borrowings' (Note 19).

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**16.1 A Security and Repayment Terms:**

- i. Term Loans in respect of finance availed for purchase of vehicles / equipments are repayable in 36 to 60 equated monthly instalments carrying varied interest from 6.80% to 9.15% p.a. These loans are secured by hypothecation of vehicles and equipment financed there under.
- ii. During the year, the Company has received sanction of Term Loan of ₹ 4,400.00 lakhs which is secured by first charge by way of hypothecation of the current assets of the Company. It is also secured by Equitable Mortgage of Land and Building and hypothecation of Plant and Machinery, existing and future, situated at Sidheegram Plant and personal guarantee of one Promoter Director of the Company. As at the year end, there is no drawl of funds from the said Term Loan and therefore outstanding amount is ₹ Nil.
- iii. The charges, which are required to be registered with the Registrar of Companies (ROC), have been registered within the time limit except charge in respect of vehicle loans taken from HDFC Bank Limited and BMW Financial Services India Private Limited ('the lenders') for which the lenders did not require to create the charge as vehicles were hypothecated in favour of the lenders with Regional Transport Office (RTO) as per the provisions of The Motor Vehicles Act, 1988. The principal amount of such loans as continued is ₹ 156.11 lakhs (Previous Year: ₹ 156.11 lakhs), the balance of which is ₹ 35.13 lakhs as at March 31, 2024 (Previous Year: ₹ 69.02 lakhs).

The satisfaction of charges which are required to be registered with the Registrar of Companies (ROC), have been registered within the time limit except satisfaction of charge in respect of loans taken from SREI Infrastructure Finance Limited ("the lender") due to non receipt of No Objection Certificate from the lender. The Company has repaid entire dues and there is no outstanding balance to the lender as at the end of current year and previous year.

**B** The Company has utilised funds raised from borrowings from banks and financial institutions for the specific purposes for which they were taken.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>17 Provisions</b>		
For Employee Benefits (Refer Note 37)		
Gratuity	1,326.54	1,291.93
Compensated absences	1,367.79	619.09
For Mines Restoration Expenditure (Refer Note 17.1)	69.80	-
	<u>2,764.13</u>	<u>1,911.02</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

17.1 Mines restoration expenses are incurred on ongoing basis until the respective mines are not fully restored, in accordance with the requirement of the mining agreement. The actual expenses may vary based on the nature and the estimate of restoration expenses. Movement of provision for Mines restoration during the year is as under :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Opening Balance	-	-
Add: Provision during the year	157.75	-
Add: Unwinding of interest	12.58	-
Less: Provision utilised during the year	(56.80)	-
Closing Balance	113.53	-
Closing Balance - Classified as Non Current Provisions	69.80	-
Closing Balance - Classified as Current Provisions	43.73	-

The unwinding of interest amounting to ₹ 12.58 lakhs (Previous Year: ₹ Nil) on Mines Restoration Provision is included under Finance Costs (Interest expenses - Others) in the Consolidated Statement of Profit and Loss.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>18 Deferred Tax Liabilities (net)</b>		
Deferred Tax Liabilities (Refer Note 41)	15,474.71	15,558.35
Deferred Tax Assets (Refer Note 41)	(6,506.50)	(8,221.17)
	8,968.21	7,337.18

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>19 Short-term Borrowings</b>		
Secured		
Loans Repayable on Demand from Banks		
Cash Credit	1,102.03	1.25
Overdraft	5,811.04	5,361.67
	6,913.07	5,362.92
Current Maturities of Long-term borrowings (Refer Note 16.1)		
Term Loans		
From Banks	444.17	364.64
From Others	9.59	13.38
	453.76	378.02
	7,366.83	5,740.94

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 19.1 Security:

## Cash Credit / Working Capital Demand Loan

The Working Capital facilities are secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future. It is also secured by Equitable Mortgage of Land and Building and hypothecation of Plant and Machinery, existing and future, situated at both Ranavav and Sidheegram Plants and personal guarantee of one Promoter Director of the Company.

## Overdraft

Overdraft from bank is secured against lien of fixed deposits with bank of ₹ 6,903.78 lakhs (Previous Year: ₹ 7,906.17 lakhs) - Refer Notes 5 and 10.

## 19.2 Disclosure of borrowings obtained on the basis of security of current assets

The Company has Working Capital limit of ₹ 17,000 lakhs for its cement plants comprising of fund-based limit of ₹ 6,000 lakhs and non-fund based limit of ₹ 11,000 lakhs. For the said fund-based limit, the Stock and Debtors statement submitted at the quarter end are in agreement with the books of account other than those as set out below.

₹ in lakhs						
Quarter ended	Name of Bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
<b>FY 2023-24</b>						
June 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	29,346.12	25,543.98	(3,802.14)	i. Stock under letter of credit, amounting to ₹ 4,433.31 lakhs is not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii) Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2023	HDFC Bank Limited	Inventories and Trade Receivables	26,100.40	26,327.99	227.59	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
December 31, 2023	HDFC Bank Limited	Inventories and Trade Receivables	28,566.27	28,911.84	345.57	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ in lakhs

Quarter ended	Name of Bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
FY 2022-23						
June 30, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	27,018.94	28,030.32	1,011.38	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	20,792.82	21,567.55	774.73	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
December 31, 2022*	HDFC Bank Limited	Inventories and Trade Receivables	28,425.71	28,922.34	496.63	Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
March 31, 2023	HDFC Bank Limited	Inventories and Trade Receivables	24,689.93	24,563.00	(126.93)	Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.

\* The amounts stated are total of Saurashtra Cement Limited and erstwhile Gujarat Sidhee Cement Limited, as reported on standalone basis, after eliminating inter company balances, if any.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>20 Trade Payables</b>		
Due to Micro and Small enterprises	891.53	420.27
Due to Others	19,540.62	10,328.16
	<b>20,432.15</b>	<b>10,748.43</b>

## 20.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2024					Total
	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Micro and Small enterprises						
Undisputed dues	889.23	-	-	-	-	889.23
Disputed dues	-	1.20	1.10	-	-	2.30
Due to Others						
Undisputed dues	6,798.12	12,638.12	67.48	27.92	8.98	19,540.62
Disputed dues	-	-	-	-	-	-
	<b>7,687.35</b>	<b>12,639.32</b>	<b>68.58</b>	<b>27.92</b>	<b>8.98</b>	<b>20,432.15</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2023

₹ in lakhs

Particulars	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	
Undisputed dues	218.68	201.59	-	-	-	420.27
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	8,861.50	1,269.56	73.61	37.72	85.77	10,328.16
Disputed dues	-	-	-	-	-	-
	<b>9,080.18</b>	<b>1,471.15</b>	<b>73.61</b>	<b>37.72</b>	<b>85.77</b>	<b>10,748.43</b>

20.2 Additional disclosure in respect of dues to Micro, Small and Medium enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
i. Principal amount remaining unpaid	891.53	420.27
ii. Interest accrued on the above amount and remaining unpaid	-	0.96
iii. Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
iv. Interest paid in terms of Section 16	-	-
v. Interest due and payable for payments already made	-	-
vi. Interest accrued and remaining unpaid	-	0.96
vii. Amount of further interest remaining due and payable even in succeeding years	-	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the Group regarding the status of suppliers under the MSME.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>21 Other Financial Liabilities</b>		
Interest accrued but not due on borrowings	8.57	4.29
Unpaid Dividends	38.63	41.30
Amounts Payable on Redemption of Preference Shares	0.23	0.23
Security Deposits from Customers / Transporters	2,044.12	1,745.02
Remuneration Payable to Key Managerial Personnel [Refer Note 39.2(B)(i)(a&b)]	32.95	-
Liabilities for Expenses at the year-end	2,658.79	1,408.02
Other Financial Liabilities	63.34	69.92
	<b>4,846.63</b>	<b>3,268.78</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>22 Other Current Liabilities</b>		
Statutory Dues	7,369.57	8,751.70
Advances from Customers	7,478.31	5,677.22
Unearned Revenue	2,281.91	2,070.28
Other Current Liabilities	183.15	154.55
	<u>17,312.94</u>	<u>16,653.75</u>
	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>23 Provisions</b>		
For Employee Benefits (Refer Note 37)		
Gratuity	382.29	585.39
Compensated absences	410.48	432.22
For Mines Restoration Expenditure (Refer Note 17.1)	43.73	-
	<u>836.50</u>	<u>1,017.61</u>
	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>24 Current Tax Liabilities (net)</b>		
Provision for Taxation (Net of Advance Tax and MAT Credit utilised of ₹ 2,300.09 lakhs)	662.96	-
	<u>662.96</u>	<u>-</u>
	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>25 Revenue from Operations</b>		
Sale of Products	1,75,480.20	1,63,482.17
Other Operating Revenue	1,035.35	1,047.24
	<u>1,76,515.55</u>	<u>1,64,529.41</u>

**25.1 Sales by Performance Obligations**

Performance obligations are satisfied at a point in time i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>25.2 Revenue from Contracts with Customers</b>		
<b>A Revenue from contracts with customers disaggregated based on nature of products or services</b>		
i Revenue from Sale of Products		
Cement	167,203.67	157,746.15
Clinker	4,388.61	3,271.88
Paints	3,887.92	2,464.14
	<u>175,480.20</u>	<u>163,482.17</u>
ii. Other Operating Revenue		
AFR Processing Income	733.75	537.18
Sale of Power	94.26	21.88
Sale of Scrap	207.22	488.07
Export Entitlements	0.12	0.11
	<u>1,035.35</u>	<u>1,047.24</u>
	<u>176,515.55</u>	<u>164,529.41</u>
<b>B Revenue from contracts with customers disaggregated based on geography</b>		
i. Domestic	176,506.56	164,520.87
ii. Export	8.99	8.54
	<u>176,515.55</u>	<u>164,529.41</u>
<b>25.3 Reconciliation of contract price with Revenue from Operations</b>		
<b>Contract price</b>	<b>181,614.32</b>	<b>167,891.32</b>
Add: Reversal of Unearned Revenue of earlier years	1,364.48	641.26
	<u>182,978.80</u>	<u>168,532.58</u>
Less:		
Discounts and Rate differences	5,922.49	4,433.07
Customer loyalty programme	126.92	53.38
Incentives and Schemes	1,449.19	563.96
<b>Revenue from sale of products</b>	<b>175,480.20</b>	<b>163,482.17</b>
Add: Other Operating Revenue	1,035.35	1,047.24
<b>Revenue from Operations</b>	<b>176,515.55</b>	<b>164,529.41</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>26 Other Income</b>		
Interest Income on		
Fixed Deposits with Banks	1,118.69	955.89
Financial Assets measured at amortised cost	4.90	2.85
Income Tax Refund	7.22	0.22
Others	12.60	5.14
	<u>1,143.41</u>	<u>964.10</u>
Dividend Income from Non-current Investments	0.08	0.10
Miscellaneous Income	196.79	63.16
Net Gain on Foreign Currency Transactions and Translation	267.36	-
Insurance Claims [includes ₹ 55.97 lakhs (Previous Year : ₹ 162.05 lakhs) on damaged PPE]	73.98	173.57
Bad Debts Recovered	-	4.00
Provision for Doubtful Debts Written Back	6.63	-
Less : Bad Debts Written off	(6.40)	-
	<u>0.23</u>	<u>-</u>
Liabilities for Expenses no longer payable Written Back	1,812.02	17.37
Trade / Other Payables Written Back	58.60	86.25
	<u>3,552.47</u>	<u>1,308.55</u>
<b>27 Cost of Materials Consumed</b>		
Raw Materials		
Opening Stock	3,747.49	2,546.46
Add: Purchases	14,210.88	14,821.30
	<u>17,958.37</u>	<u>17,367.76</u>
Less: Closing Stock	3,107.51	3,747.49
	<u>14,850.86</u>	<u>13,620.27</u>
Royalty, Cess and Raw Material Handling Charges		
Limestone and Other Materials Handling Charges	2,970.90	2,638.14
Limestone / Marl Raising Charges	2,000.07	830.01
Royalty and Cess	3,118.39	2,584.95
	<u>8,089.36</u>	<u>6,053.10</u>
Packing Materials		
Opening Stock	494.79	534.71
Add: Purchases	4,029.03	4,198.96
	<u>4,523.82</u>	<u>4,733.67</u>
Less: Closing Stock	495.04	494.79
	<u>4,028.78</u>	<u>4,238.88</u>
	<u>26,969.00</u>	<u>23,912.25</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>28 Purchases of Stock-in-trade</b>		
Purchases of Traded Goods		
Paints	337.51	161.41
	<u>337.51</u>	<u>161.41</u>
<b>29 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress</b>		
Stocks at the end		
Finished Goods - Cement	1,518.25	1,677.73
Stock-in-trade - Paints	93.51	35.33
Finished Goods - Paints	692.09	402.54
Work-in-progress - Raw Flour and Clinker	3,455.01	5,114.05
	<u>5,758.86</u>	<u>7,229.65</u>
Less: Stocks at the Beginning		
Finished Goods - Cement	1,677.73	1,408.00
Stock-in-trade - Paints	35.33	39.14
Finished Goods - Paints	402.54	387.89
Work-in-progress - Raw Flour and Clinker	5,114.05	6,201.48
	<u>7,229.65</u>	<u>8,036.51</u>
	<u>1,470.79</u>	<u>806.86</u>
<b>30 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	10,140.33	8,759.74
Contribution to Provident and Other Funds	516.76	512.42
Gratuity Expense (Refer Note 37)	210.55	168.49
Staff Welfare Expenses	346.36	341.08
	<u>11,214.00</u>	<u>9,781.73</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>31 Finance Costs</b>		
Interest expense		
On Borrowings	423.87	545.14
On Duties and Taxes	150.41	149.44
On Others [Refer Notes 17.1 and 36(C)]	163.27	156.28
	<u>737.55</u>	<u>850.86</u>
Other Borrowing Costs	71.63	78.21
	<u>809.18</u>	<u>929.07</u>

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>32 Other Expenses</b>		
Stores and Spare Parts Consumed	5,981.92	5,544.02
Power and Fuel	65,273.92	76,094.71
Rent	823.66	613.13
Repairs and Maintenance:		
Buildings	693.98	665.70
Machinery	3,483.95	2,878.93
Others	1,089.51	1,117.30
	<u>5,267.44</u>	<u>4,661.93</u>
Insurance	367.24	376.20
Rates and Taxes	265.81	222.21
Advertisement and Business Promotion Expenses	3,634.67	3,247.99
Freight and Handling Expenses	30,720.47	28,519.01
Cement Packing Expenses	1,718.91	1,484.02
Packing and Handling Expenses - Paints	108.55	88.83
Commission	3,147.35	2,659.18
Directors' Fees	99.25	121.88
Charity and Donation (Refer Note 32.1)	1,003.50	405.51
Traveling and Conveyance	1,140.62	868.08
Legal and Professional Charges	1,092.18	1,010.98
Auditor's Remuneration (Refer Note 32.2)		
Audit Fees	21.59	30.76
Tax Audit Fees	5.04	7.20
For Other Services - Certification Work	5.48	10.98
	<u>32.11</u>	<u>48.94</u>
Provision for Doubtful Debts	43.39	10.79
Net Loss on Foreign Currency Transactions and Translation	-	60.55
Loss on Sale / Discard of Property, Plant and Equipment (Net)	23.23	58.22

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
Corporate Social Responsibility (CSR) Expenditure (Refer Note 35)	55.34	219.76
Miscellaneous Expenses	2,779.62	2,981.37
Cost of Cement / Paint Self Consumed	(40.70)	(25.23)
	<u>123,538.48</u>	<u>129,272.08</u>

**32.1** Charity and Donation includes donation of ₹ 1,000 lakhs (Previous Year: ₹ 400 lakhs) given to political parties.

**32.2** It includes Remuneration paid / payable to Auditors of erstwhile Gujarat Sidhee Cement Limited for the previous year.

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>33 Exceptional Items</b>		
Compensation for mining land, as per order of the Court	(231.69)	-
Interest on above Compensation	(1,307.75)	-
Stamp Duty on Transfer of Land, Buildings and Machinery of erstwhile Gujarat Sidhee Cement Limited in the name of the Company	(495.86)	-
	<u>(2,035.30)</u>	<u>-</u>

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>34 Contingent Liabilities and Commitments</b>		
i. Contingent liabilities: (to the extent not provided for)		
a. Claims against the Company not acknowledged as debt - matters under disputes / appeals:		
i. Sales Tax / VAT	424.78	449.51
ii. Excise Duty *	4,789.57	4,789.57
iii. Service Tax *	143.72	143.72
iv. Goods and Services Tax *	58.48	1.42
v. Royalty	15.12	15.12
vi. Customs Duty *	122.85	122.85
vii. Income Tax *	383.32	383.32
viii. Octroi	38.49	38.49
ix. House Tax	42.88	41.50
x. Land Compensation	-	416.37
xi. Claims filed by workmen or their union against the Company	1.00	1.00
xii. On account of Power Supply	678.16	678.16

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
xiii. In the earlier years, the company had sold residential flats through a bidding process in which the bidder failed to make the payments as per the agreed schedule due to which the Earnest Money Deposit and part payments received against the failed bid were forfeited as per the agreed tender terms and the flats were sold to another person. The matter is under dispute as the original unsuccessful bidder has disputed the subsequent sale and the outcome / impact of the same is presently unascertainable.		
xiv. Other demands and claims	44.80	46.00
* Amount paid under protest : ₹ 380.22 lakhs (Previous Year : ₹ 395.22 lakhs)		
<b>Notes:</b>		
i. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.		
iii. The amounts stated are including interest and penalty, to the extent demanded.		
ii. Commitments: Estimated amount of contracts remaining to be executed on capital account (net of advances of ₹ 2,514.13 lakhs, Previous Year: ₹ 2,661.99 lakhs) and not provided for.	5,186.78	5,413.36

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>35 Particulars of Corporate Social Responsibility (CSR) Expenditure</b>	<b>52.84</b>	219.70
Gross amount required to be spent by the Company during the year		
Amount spent and paid on CSR activities included in the Consolidated Statement of Profit and Loss for the year :		
Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
Rural Development	4.35	18.07
Promoting Preventive Health Care, Environment and Sanitation	1.52	22.40
Education Promotion	49.47	179.29
	<b>55.34</b>	219.76

There is no unspent amount for the current year as well as for the previous year.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 36 Disclosure pursuant to Ind AS 116 on "Leases"

## As a Lessee :

## A Following are the changes in the carrying value of right of use assets:

Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
₹ in lakhs			
<b>Leasehold Land</b>			
Balance as at April 1, 2022	930.48	12.15	918.33
Additions	-	13.24	
Deletions	-	-	
<b>Balance as at March 31, 2023</b>	<b>930.48</b>	<b>25.39</b>	<b>905.09</b>
Additions	-	13.24	
Deletions	-	-	
<b>Balance as at March 31, 2024</b>	<b>930.48</b>	<b>38.63</b>	<b>891.85</b>
<b>Buildings</b>			
Balance as at April 1, 2022	426.99	306.50	120.49
Additions	312.18	134.93	
Deletions	320.97	320.97	
<b>Balance as at March 31, 2023</b>	<b>418.20</b>	<b>120.46</b>	<b>297.74</b>
Additions	94.38	90.89	
Deletions	376.20	169.33	
<b>Balance as at March 31, 2024</b>	<b>136.38</b>	<b>42.02</b>	<b>94.36</b>

The aggregate depreciation expense amounting to ₹ 104.13 lakhs (Previous Year: ₹ 148.17 lakhs) on right of use assets is included under Depreciation and Amortization Expense in the Consolidated Statement of Profit and Loss.

## B The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Current lease liabilities	37.44	132.38
Non-current lease liabilities	59.06	179.55
	<b>96.50</b>	<b>311.93</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C The following is the movement in lease liabilities:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Balance as at the beginning of the year</b>	<b>311.93</b>	130.14
Additions	92.70	312.19
Finance cost accrued	15.47	20.85
Deletions	223.22	-
Payment of lease liabilities	100.38	151.25
<b>Balance as at the end of the year</b>	<b>96.50</b>	311.93

The aggregate interest expense amounting to ₹ 15.47 lakhs (Previous Year: ₹ 20.85 lakhs) on Lease Liabilities is included under Finance Costs (Interest expenses - Others) in the Consolidated Statement of Profit and Loss.

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	44.04	153.94
One to five years	63.40	190.37
More than five years	-	-
	<b>107.44</b>	344.31

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Consolidated Statement of Profit and Loss:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Depreciation charge on right of use assets	104.13	148.17
Interest expense on lease liabilities	15.47	20.85
Expense relating to short-term leases	236.01	111.91
Gain on termination of leases	16.44	-

F Total cash outflow for leases from Financing Activities recognised in the Consolidated Statement of Cash Flows is ₹ 100.38 lakhs (Previous Year: ₹ 151.25 lakhs).

**As a Lessor :**

G The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	2.85	3.45
One to five years	-	2.85
More than five years	-	-
	<b>2.85</b>	6.30

H Lease Income of ₹ 17.48 lakhs (Previous Year : ₹ 25.05 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under Other Income - Miscellaneous Income.

### 37 Employee benefits

As per Ind AS - 19 - "Employee Benefits", the disclosures of Employee Benefits is given as below:-

#### 37.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 516.76 lakhs (Previous Year: ₹ 512.42 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 30)

#### 37.2 Defined Benefit Plan: Gratuity

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the Defined Benefit Plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years or as extended by the Management

37.3 The fund is managed by a trust and it is governed by the Board of Trustees. Present strength of trustees is five. The trustees are responsible for the governance of the plan. The day-to-day administration of the scheme is carried out by the trustees. It is the trustee's duty to look after assets on behalf of employees who are entitled to benefit from those assets at future date. Investment of assets of fund is key responsibility of the trustees.

#### 37.4 Risk to the Plan

##### i. Actuarial Risk:

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

##### ii. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## iii. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

## iv. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>37.5 i. Changes in Present Value of Obligations:</b>		
Present Value of Obligation at the beginning of the year	1,890.06	1,955.64
Current Service Cost	70.50	78.32
Past Service Cost	-	-
Interest Cost	141.00	136.02
Actuarial (Gain) / Loss due to:		
- Change in Financial Assumptions	19.15	(35.88)
- Change in Demographic Assumptions	-	(1.25)
- Experience Changes	8.30	76.03
Benefits paid	(406.62)	(318.82)
<b>Present Value of Obligation as at the end of the year</b>	<b>1,722.39</b>	<b>1,890.06</b>
<b>ii. Changes in Fair Value of Plan Assets:</b>		
Fair value of Plan Assets at the beginning of the year	12.74	11.97
Expected return on Plan Assets	0.95	0.74
Contributions by the employer	268.43	178.84
Benefits paid from the fund *	(268.43)	(178.84)
Return on plan assets excluding amounts included in interest income	(0.13)	0.03
Fair value of Plan Assets as at the end of the year	13.56	12.74
* Benefits paid directly by employer, erstwhile Gujarat Sidhee Cement Limited, has not been considered		
<b>iii. The amount recognised in Consolidated Balance Sheet</b>		
Gross value of Present Obligation at the end of the year	1,722.39	1,890.06
Fair Value of Plan Assets at the end of the year	13.56	12.74
<b>Net Liability / (Asset) recognised in Consolidated Balance Sheet</b>	<b>1,708.83</b>	<b>1,877.32</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>iv. Amount recognised in the Consolidated Statement of Profit and Loss</b>		
Current Service Cost	70.50	78.32
Past Service Cost	-	-
Interest Cost	140.05	135.28
Expected return on Plan Assets	-	-
<b>Expenses Recognised in the Consolidated Statement of Profit and Loss</b>	<b>210.55</b>	<b>213.60</b>
<b>v. Amount recognised in Other Comprehensive Income</b>		
Components of Actuarial (Gain) / Loss:		
Change in Financial Assumptions	19.15	(35.88)
Change in Demographic Assumptions	-	(1.25)
Experience Changes	8.30	76.03
Return on plan assets excluding amounts included in interest income	0.13	(0.03)
<b>Amount recognised in Other Comprehensive Income</b>	<b>27.58</b>	<b>38.87</b>
<b>vi. Category of Assets</b>		
Insurer Managed Funds	13.56	12.74
<b>vii. Maturity Profile of the Defined Benefit Obligation</b>		
1 <sup>st</sup> Following Year (Within next 12 months)	395.86	585.39
2 <sup>nd</sup> Following Year	165.07	183.86
3 <sup>rd</sup> Following Year	237.91	234.02
4 <sup>th</sup> Following Year	274.82	192.18
5 <sup>th</sup> Following Year	159.90	233.41
Sum of Years 6 to 10	603.55	648.79
Sum of Years 11 and above	719.71	658.91
<b>viii. Sensitivity Analysis for significant assumptions * Increase/(Decrease) on present value of defined benefit obligations at the end of the year</b>		
1% increase in discount rate	(68.28)	(66.39)
1% decrease in discount rate	76.04	73.74
1% increase in salary escalation rate	67.77	66.69
1% decrease in salary escalation rate	(62.28)	(61.69)
1% increase in employee turnover rate	10.48	11.21
1% decrease in employee turnover rate	(11.61)	(12.36)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>ix. Assumptions</b>		
Mortality Table - Indian Assured Lives Mortality 2012-14 (Urban)		
Discount Rate	7.19%	7.46%
Rate of increase in compensation levels	5.00%	5.00%
Expected Return on Plan Assets	7.19%	7.46%
Attrition Rate		
For service 4 years and below	15.00%	15.00%
For service 5 years and above	2.00%	2.00%
<b>x. Weighted average duration of Defined Benefit Obligation</b>	<b>6 years</b>	5 years
<b>xi. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.</b>		
<b>xii. Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations which is 10 years.</b>		
<b>xiii. Asset Liability matching strategy</b>		
The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.		
The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.		
There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity.		
*The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**38 Segment Reporting**

The Group operates in two reportable segment i.e. manufacture of i. Cement and Clinker and ii. Paints as per Ind AS 108 - Operating Segment. Segments have been identified taking into account nature of product and differential risk and return of the segment. The business segments are reviewed by the Managing Director of the Company (CODM).

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>1 Segment Revenue :</b>		
Revenue from Operations :		
a Cement & Clinker	172,615.02	162,065.16
b Paints	3,900.53	2,464.25
<b>Total Revenue from Operations</b>	<b>176,515.55</b>	<b>164,529.41</b>
<b>2 Segment Results :</b>		
Profit / (Loss) after depreciation but before finance cost :		
a Cement & Clinker	11,442.67	(516.10)
b Paints	(1,608.89)	(1,434.76)
c Others - Subsidiary Company	(39.42)	(32.43)
	<b>9,794.36</b>	<b>(1,983.29)</b>
d Less : Finance Cost	809.18	929.07
<b>Net Profit / (Loss) before Tax</b>	<b>8,985.18</b>	<b>(2,912.36)</b>
<b>3 Segment Assets :</b>		
a Cement & Clinker	149,198.21	128,956.29
b Paints	7,838.32	6,739.58
c Others - Subsidiary Company	64.42	52.60
<b>Total Assets</b>	<b>157,100.95</b>	<b>135,748.47</b>
<b>4 Segment Liabilities :</b>		
a Cement & Clinker	62,244.58	46,797.46
b Paints	2,081.57	733.85
c Others - Subsidiary Company	0.25	0.23
<b>Total Liabilities</b>	<b>64,326.40</b>	<b>47,531.54</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 39 Related Party Disclosures

## 39.1 List of related parties:

## i. Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital:

- a. Pallor Trading Company Private Limited
- b. The Mehta International Limited
- c. The Mehta International Mauritius Limited
- d. Mehta Investments Mauritius Limited
- e. Galaxy Technologies Private Limited
- f. Omna Enterprises LLP
- g. Treasurer's Trading Limited
- h. GIIC Limited

## ii. Key Management Personnel:

- a. Mr. M. N. Mehta - Chairman
- b. Mr. Jay Mehta - Executive Vice Chairman
- c. Mr. M. S. Gilotra - Managing Director
- d. Mr. Hemang D. Mehta - Non-Executive Director
- e. Mr. Hemnabh R. Khatau - Non-Executive Director
- f. Mr. M. N. Sarma- Independent Director \*
- g. Mr. M. N. Rao - Independent Director \*\*\*
- h. Mr. B. P. Deshmukh - Independent Director \*\*\*
- i. Mr. K. N. Bhandari - Independent Director \*\*\*
- j. Mr. Bimal R. Thakkar - Independent Director \*\*\*
- k. Mr. Ashwani Kumar - Independent Director
- l. Mrs. Bhagyam Ramani - Independent Director
- m. Mrs. Radhika Samarjitsinh Gaekwad - Independent Director \*\*
- n. Mr. Aman P. Khanna- Independent Director \*\*

\* Appointed w.e.f. May 25, 2023

\*\* Appointed w.e.f. June 30, 2023

\*\*\* Ceased to be director w.e.f. April 1, 2024

## iii. Key Management Personnel of erstwhile Gujarat Sidhee Cement Limited:

- a. Mrs. Juhi Chawla Mehta - Non-Executive Director
- b. Mr. Venkatesh Mysore - Non-Executive Director
- c. Mr. M. L. Tandon - Independent Director
- d. Mr. M. N. Sarma - Independent Director
- e. Mr. Rahul B. Gupta - Non-Executive Director \*
- f. Mrs. Leena Digambar Katdare - Non-Executive Director \*\*

\* Ceased to be director w.e.f. August 19, 2022

\*\* Appointed w.e.f. November 2, 2022

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## iv. Enterprise over which Key Management Personnel are able to exercise significant influence, with whom there were transactions during the period :

Mehta Private Limited

## 39.2 Transactions and Balances with related parties:

## A Transactions with related parties:

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>i. Compensation paid / payable to Key Management Personnel:</b> (Short-term employee benefits)		
a. Mr. Jay Mehta	765.60	696.93
b. Mr. M. S. Gilotra	530.77	570.49
As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity and compensated absences (to the extent of unavailed leave).		
<b>ii. Transactions with Key Management Personnel:</b>		
a. Directors sitting fees	99.25	103.65
b. Dividend on Equity Shares	1.39	-
<b>iii. Transactions with relatives of Key Management Personnel:</b>		
Dividend on Equity Shares	35.71	-
<b>iv. Transactions with Promoter Companies</b>		
Dividend on Equity Shares	696.05	-
<b>v. Transactions with Key Management Personnel of erstwhile Gujarat Sidhee Cement Limited:</b>		
Directors sitting fees	-	18.23
<b>vi. Transactions with Mehta Private Limited:</b>		
Rent Paid	133.36	110.96

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## B Outstanding Balances as at the year-end

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>i. Key Management Personnel:</b>		
a. Remuneration payable to Mr. Jay Mehta	19.12	-
b. Remuneration payable to Mr. M. S. Gilotra	13.83	-
<b>ii. Personal Guarantee given by Mr. Jay Mehta for Working Capital facility given by HDFC Bank Limited (Refer Note 16.1 and 19.1)</b>		
Working Capital facility outstanding	1,102.03	1.25

## C Terms and conditions of transactions and balances with related parties

- The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.
- Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.
- There have been no guarantees provided or received for any related party transaction.
- The Group has not recorded any impairment of receivables relating to amounts owed by related parties during the current year.

## 40 Capital Management:

The primary objective of Group's Capital Management is to maximize shareholder value without having any adverse impact on interests of other stakeholders. At the same time, company strives to maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Group's Capital Management, debt includes borrowings and current maturities of long term debt and equity includes issued equity share capital, share premium and all other equity. The Group monitors capital using Net Debt to Equity ratio which is as under :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Total Debt	8,406.38	6,282.84
Cash and Cash Equivalents and Fixed Deposits with Bank	23,946.59	12,262.99
Net Debt (A)	(15,540.21)	(5,980.15)
Total Equity (B)	92,774.55	88,216.93
Net Debt to Equity Ratio (A/B)	NA	NA

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 41 Disclosure pursuant to Ind AS 12 on "Income Taxes"

Particulars	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>41.1 Income Tax expense recognised in the Consolidated Statement of Profit and Loss:</b>		
<b>i Current Income Tax</b>		
In respect of current year	2,967.30	5.79
Adjustments in respect of tax of earlier years	-	-
<b>Total Current Income Tax</b>	<b>2,967.30</b>	<b>5.79</b>
<b>ii Deferred Tax</b>		
In respect of current year origination and reversal of temporary difference	194.10	(754.81)
In respect of MAT credit entitlement	-	-
In respect of MAT credit entitlement of earlier years	164.24	35.98
<b>Total Deferred Tax</b>	<b>358.34</b>	<b>(718.83)</b>
<b>Income Tax expense</b>	<b>3,325.64</b>	<b>(713.04)</b>
<b>41.2 Income Tax charge / (credit) recognised in Other Comprehensive Income:</b>		
<b>Deferred Tax</b>		
In respect of remeasurement gain / (loss) of defined benefit plan	(9.64)	(13.58)
<b>41.3 Classification of Income Tax charge / (credit) recognised in Other Comprehensive Income:</b>		
Income Tax charge / (Credit) related to items that will not be reclassified to profit or loss	(9.64)	(13.58)
<b>41.4 Reconciliation of Income Tax Expense with the accounting profit multiplied by Company's tax rate</b>		
Accounting Profit before Tax	8,985.18	(2,912.36)
Applicable Tax Rate *	34.94%	34.94%
Computed Tax Expense	3,139.78	(1,017.70)
Effect of non deductible items	1,174.91	459.22
Effect of deductible items	(24.64)	(378.03)
Effect of unused tax losses	-	944.55
Effect of brought forward tax losses	(962.41)	-
Effect of deductions under Chapter VI-A	(358.70)	-
Effect of Differential Applicable Tax Rate to Subsidiary	(1.64)	(2.25)
Adjustment of MAT Credit entitlement of earlier years	164.24	35.98
Deferred Tax adjustment	194.10	(754.81)
<b>Tax Expenses recognised in Consolidated Statement of Profit and Loss</b>	<b>3,325.64</b>	<b>(713.04)</b>
Effective Tax Rate	37.01%	24.48%

\* The tax rate used for reconciliation is the corporate tax rate of 34.94% (Previous Year: 34.94%) payable by corporate entities in India on taxable profits under Income-tax Act, 1961.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 41.5 Components of Deferred Tax

₹ in lakhs

	As at April 1, 2023	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2024
<b>a. Deferred Tax Assets</b>					
Provision for Impairment	1,606.65	224.12	-	-	1,830.77
Provision for expenses allowable on cash basis	1,475.38	63.04	-	-	1,538.42
Provision for Gratuity & Leave encashment	756.17	169.75	9.64	-	935.56
Unused tax losses - Unabsorbed Depreciation	944.55	(944.55)	-	-	-
MAT Credit Entitlement	3,222.29	(164.24)	-	(1,282.33)	1,775.72
Lease Liabilities	120.32	(86.60)	-	-	33.72
Others	95.81	296.50	-	-	392.31
	<u>8,221.17</u>	<u>(441.98)</u>	<u>9.64</u>	<u>(1,282.33)</u>	<u>6,506.50</u>
<b>b. Deferred Tax Liabilities</b>					
Property, Plant and Equipment and Intangible Assets	15,454.31	(13.02)	-	-	15,441.29
Right of Use Assets	104.04	(71.07)	-	-	32.97
Others	-	0.45	-	-	0.45
	<u>15,558.35</u>	<u>(83.64)</u>	<u>-</u>	<u>-</u>	<u>15,474.71</u>
<b>Deferred Tax Liabilities / (Asset) (Net)</b>	<u>7,337.18</u>	<u>358.34</u>	<u>(9.64)</u>	<u>1,282.33</u>	<u>8,968.21</u>

₹ in lakhs

	As at April 1, 2022	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2023
<b>a. Deferred Tax Assets</b>					
Provision for Impairment	1,606.65	-	-	-	1,606.65
Provision for expenses allowable on cash basis	1,423.56	51.82	-	-	1,475.38
Provision for Gratuity & Leave encashment	766.03	(23.44)	13.58	-	756.17
Unused tax losses - Unabsorbed Depreciation	-	944.55	-	-	944.55
MAT Credit Entitlement	3,258.28	(35.99)	-	-	3,222.29
Lease Liabilities	48.70	71.62	-	-	120.32
Others	43.14	52.67	-	-	95.81
	<u>7,146.36</u>	<u>1,061.23</u>	<u>13.58</u>	<u>-</u>	<u>8,221.17</u>
<b>b. Deferred Tax Liabilities</b>					
Property, Plant and Equipment and Intangible Assets	15,173.84	280.47	-	-	15,454.31
Right of Use Assets	42.11	61.93	-	-	104.04
	<u>15,215.95</u>	<u>342.40</u>	<u>-</u>	<u>-</u>	<u>15,558.35</u>
<b>Deferred Tax Liabilities / (Asset) (Net)</b>	<u>8,069.59</u>	<u>(718.83)</u>	<u>(13.58)</u>	<u>-</u>	<u>7,337.18</u>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 42 Share Based Payments

## 42.1 Saurashtra Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 26, 2017, shareholders of the company approved Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 8, 2018 has approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the Company as also to retain them. Each option carries the right to the holder to apply for one equity share of the Company at par. The salient features of the Scheme are as below:

Particulars	Details
No. of Options	16,33,253
Date of Grant	February 8, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	Graded Vesting: i) 33% of Options granted to be vested at 1 <sup>st</sup> anniversary from the date of grant. ii) 33% of Options granted to be vested at 2 <sup>nd</sup> anniversary from the date of grant. iii) 34% of Options granted to be vested at 3 <sup>rd</sup> anniversary from the date of grant.
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	75.31
Fair Value on the date of Grant of Option (₹ per share) - Refer below Note	41.55
Method of Settlement	Equity

Erstwhile Gujarat Sidhee Cement Limited had Employee Stock Option Scheme viz. Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017). In accordance with the Scheme, stock options were granted on February 8, 2018.

Pursuant to the Scheme of Amalgamation, during previous year, 1,60,069 options have been granted to eligible employees, in respect of outstanding options of erstwhile Gujarat Sidhee Cement Limited, taking into account the Share Exchange Ratio. The new options granted shall be governed by Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017).

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 42.2 Movement in Options Granted under ESOS 2017

Particulars	As at March 31, 2024 Nos	Weighted average exercise price per option (₹)	As at March 31, 2023 Nos	Weighted average exercise price per option (₹)
Outstanding at the beginning of the year	557,738	10	443,689	10
Granted during the year	-		-	
Exercised during the year	253,000	10	46,020	10
Forfeited / lapsed during the year	-	10	-	10
No. of Options Granted on amalgamation of erstwhile Gujarat Sidhee Cement Limited	-		160,069	
Outstanding at the end of the year	304,738	10	557,738	10
Options exercisable at the end of the year	304,738	10	557,738	10

The weighted average share price during the period of exercise of options was ₹ 89.13 per share, Previous Year: ₹ 58.22. Weighted average remaining contractual life for the share options outstanding as at March 31, 2024 was 10 months (Previous Year: 1 year and 3 months).

## 42.3 Fair Valuation

No options were granted during the year. The fair valuation of option granted during FY 2017-18 have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

- Risk Free Rate : 7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)
- Option Life : Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)], which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)
- Expected Volatility \* : 52.89% (Vest 1), 55.72% (Vest 2), 58.15% (Vest 3)
- Dividend Yield : 1.15%

\* Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

## 42.4 Expenses arising from equity-settled share-based payments to employees debited to the Consolidated Statement of Profit and Loss is ₹ Nil in current and previous year.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 43 Disclosure on Financial Instruments

## 43.1 Classification of Financial Assets and Liabilities

Particulars	Note No.	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Financial Assets at amortised cost:</b>			
Trade Receivables	8	8,816.88	7,828.05
Loans	4 and 11	48.11	21.00
Investments	3	0.11	0.11
Cash and Bank Balances	9 and 10	24,936.79	7,707.50
Other Financial Assets	5 and 12	1,275.55	8,365.90
<b>Financial Assets at fair value through Other Comprehensive Income:</b>			
Investments	3	1.72	1.74
<b>Total</b>		<b>35,079.16</b>	<b>23,924.30</b>
<b>Financial Liabilities at amortised cost:</b>			
Term Loan from Banks (Non-current)	16	1,039.55	541.90
Borrowings (Current)	19	7,366.83	5,740.94
Trade payables	20	20,432.15	10,748.43
Lease Liabilities	36	96.50	311.93
Other Financial Liabilities	21	4,846.63	3,268.78
<b>Total</b>		<b>33,781.66</b>	<b>20,611.98</b>

The fair value of Bank Deposits with more than 12 months maturities & earmarked balances and fair value of borrowed funds approximate carrying value as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 43.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the Group based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.
- The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.
- The fair values of quoted equity instruments are derived from quoted market prices in active markets.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Level 1** - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Financial Assets at fair value through Other Comprehensive Income:</b>		
Investments - Level 1	0.22	0.15
Investments - Level 3	1.50	1.59
<b>Total</b>	<b>1.72</b>	<b>1.74</b>

There is no transfer between Level 1 and Level 3 during the year.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Reconciliation of Level 3 Fair Value Measurements :</b>		
Balance as at the beginning of the year	1.59	3.14
Add / (Less) : Changes during the year	(0.09)	(1.55)
Balance as at the end of the year	1.50	1.59

Since the Level 3 investment value is not significant, 1% increase (decrease) in the input will have negligible impact.

#### 43.3 Financial Risk Management Framework:

##### Company: Saurashtra Cement Limited

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets comprises of trade and other receivables, cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Company's activities exposes it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The Company's senior management oversees the management of these risks. They provide assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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

Risk	Exposure Arising From	Measurement	Management
<b>Credit Risk</b>	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
<b>Liquidity Risk</b>	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
<b>Foreign Exchange Risk</b>	Committed commercial transaction mainly import of Steam Coal and Stores and Spares	Sensitivity Analysis, foreign currency movement	Foreign exchange transaction are in the nature of current payment and effected at current exchange rate, in case of transactions under LC - Hedging through forward foreign exchange contracts
<b>Commodity Price Risk</b>	Movement in prices of commodities mainly Imported Steam Coal	Sensitivity Analysis, Commodity price tracking	Orders are placed based on the best price quoted by parties

##### 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 of interest rate risk and foreign exchange risk in a fluctuating market environment.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

##### Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts, capital expenditure and export of cement.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures

Outstanding foreign currency exposure	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Trade Payables</b>		
EUR	7.16	-
USD	11,768.98	-
CHF	-	1.71

##### Foreign currency sensitivity on unhedged exposure:

1% increase / decrease in foreign exchange rate will impact profit before tax by ₹ 117.76 lakhs p.a., Previous Year: ₹ 0.02 lakhs p.a.

##### 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

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

to i) overdraft against fixed deposits and ii) Cash Credit. The Company doesn't have foreign currency borrowings. The Company parks surplus funds in fixed deposits and avails overdraft against same to meet temporary fund requirement. The interest rate on overdraft is linked with interest rate on fixed deposit. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft. The Cash Credit facility has floating interest rate.

**Interest rate exposure:**

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2024 is ₹ 1,102.03 lakhs, Previous Year: ₹ 1.25 lakhs.

There is no significant interest rate risk in respect of overdraft against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

**Interest rate sensitivity for unhedged exposure:**

1% increase / decrease in interest rate will impact profit before tax by ₹ 11.02 lakhs p.a., Previous Year: ₹ 0.01 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

**Commodity Price Risk:**

Commodity price risk arises due to fluctuation in prices of coal, pet coke and other products. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

**Credit Risk Management:**

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities mainly deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

**Trade Receivables:**

Customer credit is managed as per Company's established policy procedures and control related to customer credit risk management. The Company has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Export sales is mainly against advance payment or letter of credit.

Generally deposits are taken from domestic debtors. Apart from deposit, there is a third party agent area wise. In case any customer defaults, the amount is first recovered from third party agent, then from the agent's commission. Each outstanding customer receivable is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Company does not have higher concentration of credit risks to a single customer.

Total Trade receivable as at March 31, 2024 is ₹ 8,887.83 lakhs, Previous Year: ₹ 7,862.24 lakhs.

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for impairment based on specific identification of debtors. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required. The movement in provision for impairment is as below:

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
<b>Opening Provision</b>	<b>34.19</b>	23.39
Add: Provided during the year	<b>43.39</b>	10.80
Less: Utilised / written back during the year	<b>6.63</b>	-
<b>Closing Provision</b>	<b>70.95</b>	34.19

**Cash and Cash Equivalent and Bank Deposit:**

Credit Risk on cash and cash equivalent, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

**Subsidiary: Agrima Consultants International Ltd**

The Subsidiary Company's source of revenue is rental income which is not exposed to any kind of the market risk or credit risk since the same is derived from its Holding Company.

**Group****Liquidity Risk:**

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2024	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	7,366.83	1,039.55	-	<b>8,406.38</b>
Trade payables	20,432.15	-	-	<b>20,432.15</b>
Lease Liabilities	44.04	63.40	-	<b>107.44</b>
Other financial liabilities	4,846.63	-	-	<b>4,846.63</b>
As at March 31, 2023	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	5,740.94	541.90	-	6,282.84
Trade payables	10,748.43	-	-	10,748.43
Lease Liabilities	153.94	190.37	-	344.31
Other financial liabilities	3,268.78	-	-	3,268.78



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- 44 During the previous year, the Scheme of Amalgamation of Gujarat Sidhee Cement Limited ("erstwhile GSCL") with the Company ('Scheme') was sanctioned by Hon'ble National Company Law Tribunal (NCLT) Ahmedabad Bench vide order dated March 16, 2023. The Scheme has become effective on March 30, 2023, with January 1, 2022 as appointed date, upon filing of the certified copy of the order passed by NCLT with the Registrar of Companies. In terms of the Scheme, all the assets, liabilities, reserves and surplus of erstwhile GSCL have been transferred to and vested in the Company. Consequent on the Scheme coming into effect and in accordance with the Share Exchange Ratio enshrined in the Scheme, on April 26, 2023, the Company has allotted its 5,40,09,641 equity shares of ₹10/- each (fully paid-up) to the equity shareholders of erstwhile GSCL as on the 'Record Date' fixed for the said purpose. Accordingly, the amount of ₹ 5,400.96 lakhs disclosed as Equity Share Capital Suspense Account as at March 31, 2023 has been transferred to Equity Share Capital.
- 45 **Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended March 31, 2024:**

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated Net Assets	₹ in lakhs	As % of Consolidated Profit or (Loss)	₹ in lakhs	As % of Consolidated OCI	₹ in lakhs	As % of Consolidated TCI	₹ in lakhs
1	2	3	4	5	6	7	8	9
Parent: Saurashtra Cement Limited	99.93%	92,710.38	100.77%	5,703.18	100.00%	(17.96)	100.77%	5,685.22
Subsidiary (Indian): 1 Agrima Consultants International Limited	0.07%	64.17	-0.77%	(43.64)	-	-	-0.77%	(43.64)
Non controlling interest	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>92,774.55</b>	<b>100.00%</b>	<b>5,659.54</b>	<b>100.00%</b>	<b>(17.96)</b>	<b>100.00%</b>	<b>5,641.58</b>

46 **Disclosure of transactions with Struck off Companies**

The Group does not have any transactions with struck-off companies except below.

Name of the struck off company	Nature of transactions with struck off company	As at March 31, 2024		As at March 31, 2023	
		Balance outstanding ₹ in lakhs	Relationship with the struck off company, if any	Balance outstanding ₹ in lakhs	Relationship with the struck off company, if any
Kulveer Metal Craft Private Limited	Trade Payables	-	-	0.81	-

47 **Additional Regulatory Information**

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Consolidated Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Consolidated Financial Statements.

- i. The Group has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- ii. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- iii. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- iv. Ratios - Refer Note 48.
- v. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding, that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Additional Information**

Additional Information pursuant to Clause 7(l) of General Instructions for preparation of Consolidated Statement of Profit and Loss as given in Part II of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Consolidated Financial Statements.

- i. The Group does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- ii. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 48 Disclosure of ratios

Particulars	Formula	As at March 31, 2024		As at March 31, 2023		Ratio	% Variance	Reason for variance
		Numerator (₹ in lakhs)	Denominator (₹ in lakhs)	Numerator (₹ in lakhs)	Denominator (₹ in lakhs)			
Current ratio	Current assets / Current liabilities	61,825.52	51,495.45	35,065.65	37,561.89	0.93	29%	Increase in current assets, mainly bank balances in the form of Fixed Deposits with Bank and classification of a significant amount into current increase in bank borrowings
Debt-equity ratio	Total Debt / Shareholder's Equity	8,406.38	92,774.55	6,282.84	88,216.93	0.07	29%	Increase in current assets, mainly bank balances in the form of Fixed Deposits with Bank and classification of a significant amount into current increase in bank borrowings
Debt service coverage ratio	Earnings available for debt service / Debt Service	10,866.42	1,005.86	2,324.46	2,278.11	1.02	95%	Consequential impact of increase in profit
Return on equity ratio	Net Profit after taxes / Average Shareholder's Equity	5,659.54	90,495.74	(2,199.32)	89,303.26	-2.46%	354%	Increase in profit, mainly due to comparatively lower Cost of Power and Fuel
Inventory turnover ratio	Net Sales / Average Inventory	175,480.20	22,146.90	163,482.17	18,315.06	8.93	-11%	
Trade receivables turnover ratio	Revenue from Operations / Average Trade Receivables	176,515.55	8,322.47	164,529.41	6,888.65	23.88	-11%	
Trade payables turnover ratio	Purchases / Average Trade Payables	104,807.65	3,927.50	103,206.16	3,780.58	27.30	-2%	
Net capital turnover ratio	Revenue from Operations / Working Capital	176,515.55	10,330.07	164,529.41	(2,496.24)	(65.91)	126%	Increase in net working capital, mainly due to classification of a significant amount of Fixed Deposits into current, as stated above
Net profit ratio	Net Profit after taxes / Revenue from Operations	5,659.54	176,515.55	(2,199.32)	164,529.41	-1.34%	340%	Increase in profit, mainly due to comparatively lower Cost of Power and Fuel
Return on capital employed	Earning before interest and taxes / Capital Employed	9,409.05	107,238.64	(2,367.22)	98,542.18	-2.40%	465%	Consequential impact of increase in profit
Return on investment	Dividend on shares / Investment in shares	0.08	1.72	0.10	1.65	6.06%	-23%	Non receipt of dividend from investment in subsidiary together with partial write back of provision for impairment in its value

	For the Year ended March 31, 2024 ₹ in lakhs	For the Year ended March 31, 2023 ₹ in lakhs
<b>49 Earnings Per Share</b>		
Basic earnings per share		
Net Profit / (Loss) for the year	5,659.54	(2,199.32)
Weighted average number of equity shares outstanding	110,792,007	110,658,702
Basic earnings per share (in ₹)	5.11	(1.99)
Diluted earnings per share		
Net Profit / (Loss) for the year	5,659.54	(2,199.32)
Weighted average number of equity shares outstanding	110,792,007	110,658,702
Add: Weighted average number of potential equity shares on account of outstanding Employee Stock Options	275,935	445540 *
Weighted average number of equity shares outstanding for diluted EPS	111,067,942	110,658,702
Diluted earnings per share (in ₹)	5.10	(1.99)

\* As the Group has incurred loss during the previous year, dilutive effect of potential equity shares on weighted average number of shares would have an anti-dilutive impact and hence, not considered.

## As per our report of even date attached

For MANUBHAI &amp; SHAH LLP

Chartered Accountants

Firm Registration No. 106041W / W100136

## K C Patel

Partner

Membership No. 030083

Place: Mumbai

Date : May 28, 2024

## For and on behalf of the Board of Directors

Jay Mehta

Executive Vice Chairman

(DIN:00152072)

M. S. Gilotra

Managing Director

(DIN:00152190)

Place: Mumbai

Date : May 28, 2024

V. R. Mohnot

Chief Financial Officer

(M.No.F082324)

Sonali Sanas

Chief Legal Officer, CS &amp; Strategy

(M.No.A16690)

**FORM AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary

Sl. No.	1
Name of the Subsidiary Company	<b>Agrima Consultants International Limited</b>
Share Capital	40.41
Other Equity	23.76
Total Assets	64.42
Total Liabilities	0.25
Investments	0.25
Turnover	55.84
Profit / (Loss) before taxation	16.02
Provision for taxation	4.22
Profit / (Loss) after taxation	11.80
Proposed Dividend	-
% of shareholding	100%

**For and on behalf of the Board of Directors**

**Jay Mehta**  
Executive Vice Chairman  
(DIN:00152072)

**M. S. Gilotra**  
Managing Director  
(DIN:00152190)

Place: Mumbai  
Date : May 28, 2024

**V. R. Mohnot**  
Chief Financial Officer  
(M.No.F082324)

**Sonali Sanas**  
Chief Legal Officer, CS & Strategy  
(M.No.A16690)

**Notes**

Notes

# SUPREME CEMENT FOR SUPERIOR CONSTRUCTION

ENHANCED PERFORMANCE



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