

Ref: APCL/SECTL/SE/2024-25/21

July 15, 2024

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

Dear Sir / Madam,

Sub: Annual Report for the Financial Year 2023-24 of Anjani Portland Cement Limited:

This is further to our disclosure dated July 10, 2024 wherein Anjani Portland Cement Limited ('Company') had inter alia informed that the 40th Annual General Meeting ('AGM') of the Company will be held on Friday, August 9, 2024 at 12:30 p.m. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). This is in compliance with the General Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and subsequent circulars issued in this regard, the latest being circular dated September 25, 2023 (collectively referred to as 'MCA Circulars').

In this regard, please find enclosed herewith the 40th Annual Report of the Company for the Financial Year 2023-24 along with the Notice of the 40th Annual General Meeting ("AGM").

The Annual Report is being sent only through electronic mode, to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participant/Depositories. This is in compliance with the SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 and MCA circulars issued from time to time.

The Annual Report shall be made available on the Company's website at <http://www.anjanacement.com>

This disclosure is being submitted pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The above is for your information and record.

Thanking you,

Sincerely Yours,
For **Anjani Portland Cement Limited**

Subhanarayan Muduli
Company Secretary and Compliance Officer



Registered Office : # 6-3-553, Unit No.: E3 & E4,
4th Floor, Quena Square, Off Taj Deccan Road,
Erramanzil, Hyderabad - 500 082. Telangana.
T : +91 040 2335 3096 / 3106
E : secretarial@anjanacement.com

Works : Chintalapalem Village & Mandal,
Suryapet Dist. - 508 246. Telangana.
M : +91 733 077 6609
+91 738 260 9535



Anjani Portland Cement Limited

40th Annual Report

2023-24





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www.anjaniment.com

CORPORATE INFORMATION

Board of Directors

Mr. N. Venkat Raju,
Managing Director

Mrs. V. Valliammai,
Chairperson, Independent Director

Mr. A. Subramanian,
Non-Executive Director
(Till September, 22, 2023)

Mr. RM. Palaniappan,
Independent Director
(Till May, 15, 2024)

Mr. V. Palaniappan,
Non-Executive Director (Till June 1, 2023)

Dr. (Mrs.) S.B. Nirmalatha,
Non-Executive Director

Mr. Gopal Perumal,
Non-Executive Director
(with effect from June 23, 2023)

Mr. Palani Ramkuamr,
Non-Executive Director
(with effect from August 11, 2023)

Mr. Umesh Prasad Patnaik,
Additional Director (Independent)
(with effect from May 15, 2024)

Committee of the Board

Audit Committee

Mrs. V. Valliammai, Chairperson

Mr. N. Venkat Raju, Member

Mr. RM. Palaniappan,
Member (Till May, 15, 2024)

Mr. Umesh Prasad Patnaik,
Member (with effect from May 16, 2024)

Nomination and Remuneration Committee

Mr. RM. Palaniappan,
Chairman (Till May, 15, 2024)

Mr. Umesh Prasad Patnaik,
Chairman (with effect from May 16, 2024)

Mrs. V. Valliammai,
Member

Dr. (Mrs.) S.B. Nirmalatha,
Member

Risk Management Committee

Mrs. V. Valliammai, Chairperson

Mr. N. Venkat Raju, Member

Mr. V. Palaniappan, Member
(Till June 1, 2023)

Mr. Gopal Perumal, Member
(w.e.f. June 23, 2023)

Stakeholders' Relationship Committee

Mrs. V. Valliammai, Chairperson

Mr. N. Venkat Raju, Member

Mr. V. Palaniappan, Member (Till June 1, 2023)

Mr. Gopal Perumal, Member (w.e.f. June 23, 2023)

Corporate Social Responsibility Committee

Mr. N. Venkat Raju, Chairman

Mrs. V. Valliammai, Member

Dr. (Mrs.) S.B. Nirmalatha, Member

Chief Financial Officer

Mr. R.S.R. Anjaneyulu (Till September 26, 2023)

Mr. Rajesh Kumar Dhoot (w.e.f. October 1, 2023)

Company Secretary

Mr. Subhanarayan Muduli

Corporate Identity No.

CIN: L26942TG1983PLC157712

Registered Office

#6-3-553, Unit Nos. E3 & E4

4th Floor, Quena Square

Off Taj Deccan Road, Erramanzil

Hyderabad – 500082, Telangana

Email: secretarial@anjanacement.com

Website: www.anjanacement.com

Tel.: +91-40-23353096/3106

Factory

Chintalapalem (V & M)

Suryapet (District)

Telangana – 508246

Registrar & Share Transfer Agent

KFIN Technologies Limited

Selenium Tower – B, Plot No. 31 & 32

Gachibowli, Financial District

Nanakramguda, Hyderabad – 500032

Email: einward.ris@kfintech.com

Website: www.kfintech.com

Tel.: +91-40-67162222/ +91-40-79611000

Statutory Auditors

M/s Ramanatham & Rao, Chartered Accountants

P.B.No. 2102, Flat No. 302, Kala Mansion, Sarojini Devi

Secunderabad – 500003, Telangana

Secretarial Auditors

M/s D. Hanumanta Raju & Co., Company Secretaries

#B-13, F-1 & F-2, P.S. Nagar

Vijaya Nagar Colony

Hyderabad – 500057, Telangana

Internal Auditors

M/s M. Bhaskara Rao & Co., Chartered Accountants

5-4, 5th Floor, "Kautilya", 6-3-652

Somajiguda, Hyderabad– 500482, Telangana

Bankers

HDFC Bank Limited

State Bank of India

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FIVE YEAR PERFORMANCE AT A GLANCE

| Particulars | 2019-20 (Standalone) | 2020-21 (Standalone) | 2021-22 (Standalone) | 2021-22 (Consolidated) | 2022-23 (Standalone) | 2022-23 (Consolidated) | 2023-24 (Standalone) | 2023-24 (Consolidated) |
|---------------------------|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|
| PRODUCTION in MT's | | | | | | | | |
| Cement | 8,29,656 | 8,31,901 | 9,28,560 | 17,17,438 | 8,42,547 | 14,00,537 | 8,51,516 | 13,82,149 |
| Capacity Utilisation (%) | 72% | 72% | 80% | 78% | 73% | 59% | 73% | 75% |
| SALES IN MT's | | | | | | | | |
| Cement & Clinker | 11,07,446* | 9,70,403** | 10,64,396# | 18,57,800## | 9,48,754^ | 15,07,240^^ | 11,34,333\$ | 15,50,214\$\$ |

* Including 2,24,098 MT of Traded Cement. **Including 1,12,722 MT of Traded Cement.

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

^ including 1,06,678 MT of Traded Cement. ^^ including 1,00,361 MT of Traded Cement.

\$ including 2,54,858 MT of Traded Cement. \$\$ including 37,284 MT of Traded Cement.

(₹ In Lakhs)

| FINANCIAL HIGHLIGHTS | 2018-19 (Standalone) | 2019-20 (Standalone) | 2021-22 (Standalone) | 2021-22 (Consolidated) | 2022-23 (Standalone) | 2022-23 (Consolidated) | 2023-24 (Standalone) | 2023-24 (Consolidated) |
|------------------------------------|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|
| Turnover (Gross) | 40,893 | 40,720 | 47,021 | 80,126 | 42,218 | 66,150 | 45,942 | 62,390 |
| Gross Profit | 8,393 | 12,243 | 9,702 | 14,715 | 2,548 | 2,408 | 2,528 | 2,994 |
| Finance Costs | 33 | 65 | 2,853 | 3,001 | 2,840 | 3,447 | 2,709 | 3,221 |
| Depreciation | 2,004 | 2,026 | 1,935 | 5,837 | 1,719 | 5,375 | 1,670 | 4,811 |
| Profit/(Loss) Before Tax | 6,356 | 10,152 | 4,914 | 5,877 | (2,011) | (6,414) | (1,851) | (5,038) |
| Provision for Taxation | | | | | | | | |
| - Current Tax | 2,369 | 2,903 | 1,657 | 2,305 | 0 | (6) | 0 | (2) |
| - Deferred Tax | (48) | (1,249) | (240) | (627) | (119) | (558) | (680) | (1,108) |
| Net Profit/(Loss) After Tax | 4,035 | 8,498 | 3,497 | 4,199 | (1,892) | (5,850) | (1,171) | (3,932) |
| Cash Profit | 5,991 | 9,275 | 5,192 | 9,409 | (292) | (1,033) | (181) | (227) |
| Paid-up Share Capital | 2,529 | 2,529 | 2,529 | 2,529 | 2,937 | 2,937 | 2,937 | 2,937 |
| Reserves & Surplus | 24,863 | 32,102 | 34,341 | 29,303 | 39,368 | 30,435 | 38,177 | 26,507 |
| Ratios | | | | | | | | |
| (%) PBDIT to Gross Sales | 20.52 | 30.07 | 20.63 | 18.36 | 6.04 | 3.64 | 5.5 | 4.8 |
| (%) PBT to Gross Sales | 15.54 | 24.93 | 10.45 | 7.34 | (4.76) | (9.70) | (4.03) | (8.08) |
| (%) EPS (in Rupees) | 15.96 | 33.61 | 13.83 | 16.38 | (7.27) | (22.35) | (3.99) | (13.30) |
| Debt to Equity | 0 | 0 | 1.18 | 1.56 | 0.89 | 1.31 | 0.88 | 1.45 |
| Book Value per Share (in Rupees) | 108 | 137 | 146 | 126 | 144 | 114 | 140 | 100 |
| Dividend (%) | 50 | 50 | 30 | 0 | 0 | 0 | 0 | 0 |

ANJANI PORTLAND CEMENT LIMITED

CIN: L26942TG1983PLC157712

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

Email id: secretarial@anjanacement.com **website:** www.anjanacement.com

**NOTICE OF 40TH ANNUAL GENERAL MEETING OF THE COMPANY**

Notice is hereby given that the 40th Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, August 9, 2024 at 12:30 p.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Dr. (Mrs.) S. B. Nirmalatha (DIN:03092392), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. **To appoint M/s S C Bose & Co., Chartered Accountants (Firm Registration No.004840S) as Statutory Auditors of the Company.**

To appoint M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S) as Statutory Auditors of the Company in place of M/s. Ramanatham & Rao, Chartered Accountants (Firm Registration Number: S-2934) and fix their remuneration and in this connection, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and approval and recommendation of the Audit Committee and the Board of Directors of the Company, M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S), be and are hereby appointed as the Statutory Auditors of the Company for the first term of 5 (five) years commencing from the conclusion of this 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting to be held in the year 2029, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

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

SPECIAL BUSINESS:

4. **Ratification of Remuneration payable to Cost Auditors for the financial year ending March 31, 2025:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and approval and recommendation of the Audit Committee and the Board of Directors of the Company, the Company hereby ratifies the remuneration of ₹2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses actually incurred and payable to M/s Narasimha Murthy & Co., Cost Accountants (Firm Registration Number 000042), the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, for the financial year ending March 31, 2025."

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



5. **Approval for Material Related Party Transactions with Chettinad Cement Corporation Private Limited:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 2(76) of the Companies Act, 2013, Regulation 2(1)(zb), 2(1)(zc) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and other applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and rules made thereunder, if any, each as amended from time to time and the Company’s Policy on Related Party Transactions and upon approval the approval and recommendation of the Audit Committee and Board of Directors of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into/continue the contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction (or) transactions taken together (or) series of transactions (or) otherwise) with Chettinad Cement Corporation Private Limited (‘CCCPL’), Holding Company of the Company being a related party, on such terms and conditions as may be agreed between the Company and CCCPL, for an aggregate value of up to ₹200 Crore (Rupees Two Hundred Crore Only) entered into/ to be entered from the date of 40th Annual General Meeting upto the date of 41st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months, as per the details provided in the explanatory statement, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.”

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. **Approval for Material Related Party Transactions with Bhavya Cements Private Limited:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 2(76) of the Companies Act, 2013, Regulation 2(1)(zb), 2(1)(zc) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and other applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and rules made thereunder, if any, each as amended from time to time and the Company’s Policy on Related Party Transactions and upon the approval and recommendation of the Audit Committee and Board of Directors of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into/continue the contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction (or) transactions taken together (or) series of transactions (or) otherwise) with Bhavya Cements Private Limited (‘BCPL’), Subsidiary Company of the Company being a related party, on such terms and conditions as may be agreed between the Company and BCPL, for an aggregate value of up to ₹150 Crore (Rupees One Hundred Fifty Crore Only) entered into/ to be entered from the date of 40th Annual General Meeting upto the date of 41st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months, as per details provided in the explanatory statement, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.”

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. **Appointment of Mr. Umesh Prasad Patnaik (DIN: 10619857) as an Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT Mr. Umesh Prasad Patnaik (DIN: 10619857) who was appointed as an Additional Director of the Company effective from May 15, 2024, by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 (‘Act’) read with the Articles of Association of the Company, and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.”

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR Regulations’), each as amended and the Articles of Association of the Company, Mr. Umesh Prasad Patnaik, who meets the criteria for independence as provided in Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, and who has submitted a declaration to that effect, be and is hereby appointed, as an Independent Director of the Company, not liable to retire by rotation, for a first term of 5 (five) consecutive years commencing from May 15, 2024 to May 14, 2029 (both days inclusive).”

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

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

Subhanarayan Muduli
Company Secretary
Membership No.: A41513

Chennai, July 10, 2024

Registered Office:

#6-3-553, Unit No. E3 & E4, 4th Floor,
Quena Square Off: Taj Deccan Road,
Erramanzil, Hyderabad – 500 082, Telangana, India
Tel No.: +91 40 2335 3096/3106
Email: secretarial@anjanicement.com
Website: www.anjanicement.com
CIN: L26942TG1983PLC157712

NOTES:

1. Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and No.17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary resolution and special resolution by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos.20/2020 dated May 5, 2020, No.10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being No.09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the 40th AGM of the Company is being held through VC / OAVM. In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed to be the venue of the AGM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 to 7 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 7 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment at this AGM are also annexed.
3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2023-24 are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories".

Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website <https://anjanicement.com/>, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the Company's Registrar and Transfer Agent ("RTA"), KFIN Technologies Limited at www.evoting.kfintech.com. However, if any specific request is received from any member demanding the physical copy of the Annual Report, the same will be provided by the Company.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
5. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote either through remote e-voting or during the AGM. The said Resolution/

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Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to dh300@gmail.com with a copy marked to secretarial@anjaniment.com. Institutional shareholders (i.e. other than individuals, HUFs, NRIs 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.

6. This 40th AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with MCA Circulars issued by MCA from time to time.
7. **Attendance at the AGM:** Members will be provided with a facility to attend the AGM through VC/OAVM provided by KFIN Technologies Limited. Members may access the same at <https://evoting.kfintech.com> by clicking "eAGM-Video Conference & Streaming" and access the shareholders'/members' login by using the remote e-voting credentials which shall be provided as per Note No.16 below. Kindly refer to Note No15 below for detailed instructions for participating in AGM through VC.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. As per MCA Circulars, the facility for joining the AGM through VC/OAVM shall be made available for 1000 members on a first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. **Remote e-voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect to business to be transacted at the AGM. For this purpose, the Company has appointed KFIN Technologies Limited for facilitating voting through electronic means, and as an independent agency for providing necessary platform for VC/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by KFIN Technologies Limited.
11. **Voting during the AGM:** Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 3, 2024 to Friday, August 9, 2024 (both days inclusive) for the purpose of the AGM.
13. The Company has fixed Friday, August 2, 2024 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of remote e-voting or participate and vote in the AGM. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
14. **Procedure for registering the email addresses and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form).**
 - i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFIN Technologies Limited by sending an e-mail request at the email ID einward.ris@kfintech.com along with scanned copy of the duly signed request letter by the first holder providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual Report, AGM Notice and the e-voting instructions.
 - ii. Those members who have registered their e-mail address, mobile no., postal address and bank account details are requested to validate /update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFIN Technologies Limited, the Registrar and Share Transfer Agent of the Company, in case of shares held in physical form.

15. Instructions to the Members for attending the AGM through Video Conference.

- i. **For attending the AGM:** Member will be provided with a facility to attend the AGM through video conferencing platform provided by KFIN Technologies Limited. Members may login into its website link <https://emeetings.kfintech.com/loginv2.aspx> by using the remote e-voting credentials. After logging in, click on "Video Conference" option and the Name of the Company can be selected.
- ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-voting in Note No.15 below.
- iii. Members are encouraged to join the Meeting through Desktops, Laptops, Smart phones, Tablets and iPads with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22 for better experience.
- iv. Further, Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
- v. Please note that participants using Mobile Devices or Tablets or Laptops or accessing the internet 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.
- vi. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.
- vii. **Submission of Questions / Queries prior to AGM:**
 - a) Members desiring any additional information with regard to Accounts / Annual Report or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e., secretarial@anjanicement.com and marking a copy to evoting@kfintech.com mentioning their name, DP ID and Client ID / Folio number at least 2 days before the date of the AGM so as to enable the Management to keep the information ready. Please note that, members' questions will be answered only if they continue to hold the shares as of cut-off date.
 - b) Alternatively, shareholders holding shares as on cut-off date can also post their questions by logging on to the link <https://emeetings.kfintech.com/loginv2.aspx>, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the AGM.
- viii. **Speaker Registration before AGM:**

In addition to above, speaker registration may also be allowed during the remote e-voting period. Members who wish to register as speakers are requested to visit <https://emeetings.kfintech.com/loginv2.aspx> and click on 'Speaker Registration' which will be opened from 9:00 A.M. on Tuesday, August 6, 2024 to 5:00 P.M. on Thursday, August 8, 2024. Members shall be provided with a 'queue number' before the AGM. Members are requested to remember the same and wait for their turn to be called by the Chairpersons of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in Note No.15 (vii) above.
- ix. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act will be available for inspection by Members electronically during the AGM. Members seeking to inspect such documents can send an email to secretarial@anjanicement.com.

16. Instructions for members for remote e-voting:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, provisions of Regulation 44 of the SEBI Listing Regulations the Members are provided with the facility to cast their vote by remote e-voting platform provided by KFIN Technologies Limited. Members attending the AGM who have not already cast their vote by remote e-voting shall be able to cast their vote electronically during the AGM.

However, in pursuance of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

The remote e-Voting period will commence at 9:00 A.M. on Tuesday, August 6, 2024 and will end at 5:00 P.M. on Thursday, August 8, 2024. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFIN Technologies Limited upon expiry of aforesaid period. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, August 2, 2024 i.e. cut-off date, may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

The e-voting module shall be disabled by KFIN Technologies Limited for voting thereafter. Members have the option to cast their vote on any resolutions using the remote e-voting facility, either during the period commencing from Tuesday, August 6, 2024 and to Friday, August 8, 2024, or e-voting during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, August 2, 2024 may obtain the login ID and password in the manner as mentioned below:

- a) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> e-Voting Event Number + Folio No. or DP ID and Client ID to 9212993399.

| | |
|--------------------------|------------------|
| 1. Example for NSDL: | |
| 2. MYEPWED<SPACE> | IN12345612345678 |
| 3. Example for CDSL: | |
| 4. MYEPWED<SPACE> | 1202345612345670 |
| 5. Example for Physical: | |
| 6. MYEPWED<SPACE> | XXXX1234567890 |

- b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID and Client ID and PAN to generate a password.
- c) Members may call KFIN Technologies Limited's Toll free number 1800-3094-001. Member may also send an email to evoting@kfintech.com.

17. The procedure and instructions for the remote e-voting facility for individual shareholders holding securities in demat mode are provided as follows:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <p>1. User already registered for IDeAS facility:</p> <ul style="list-style-type: none"> Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' Section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" Click on Company name or e-voting service provider and you will be re-directed to e-voting service provider's website for casting the vote during the remote e-voting period. <p>2. User not registered for IDeAS e-Services:</p> <ul style="list-style-type: none"> To register click on link : https://eservices.nsdl.com Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in point 1 <p>3. Alternatively by directly accessing the e-Voting website of NSDL:</p> <ul style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com Click on the icon "Login" which is available under 'Shareholder/Member's 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. Post successful authentication, you will requested to select the name of the Company and the e-voting Service Provider's name, i.e. KFintech. On successful selection, you will be redirected to KFintech's e-voting page for casting your vote during the remote e-voting period. |

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. Existing user who have opted for Easi / Easiest:</p> <ul style="list-style-type: none"> Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login Or URL: https://www.cdslindia.com Click on New System Myeasi Login with your registered user id and password. The user will see the e-voting Menu. The Menu will have links of ESP i.e. KFintech's e-voting portal. <p>2. User not registered for Easi/Easiest:</p> <ul style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration Proceed with completing the required fields. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL:</p> <ul style="list-style-type: none"> Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e-voting is in progress. |
| Individual Shareholders login through their demat account / Website of Depository Participants | <ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL /CDSL for e-Voting facility. Once logged in, you will be able to see e-Voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against Company name or e-voting service provider's name KFintech and you will be redirected to e-voting website of KFintech for casting your vote during the remote e-voting period without any further authentication. |

Important Note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at respective websites.

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

| Login Type | Helpdesk details |
|---------------------------|---|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free 1800 1020 990 and 1800 44 33 |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43 |

18. The procedure and instructions for the remote e-voting facility for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode are provided as follows:

- Open your browser during the remote e-voting period and navigate to <https://evoting.kfintech.com>
- Enter the login credentials (i.e. User ID and password mentioned in the mail). In case of physical folio, User ID will be EVEN (E-Voting Event Number) XXXX, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFIN Technologies Limited for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".

You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password shall comprise of minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- d. You need to login again with the new credentials.
- e. On successful login, the system will prompt you to select the e-voting Event Number for Anjani Portland Cement Limited.
- f. If you are holding shares in Demat form and had logged on to <https://evoting.kfintech.com> and casted your vote earlier for any other Company, then your existing login id and password are to be used.
- g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e., Friday, August 2, 2024 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on cut-off date.
- h. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- j. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- k. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote.
- l. During the voting period, Members can login any number of times and vote until they confirm the voting on the resolutions.
- m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned (PDF Format) certified true copy of the relevant board resolution/authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s) who is/are authorised to vote, to the Scrutinizer at email ID dhr300@gmail.com with a copy to evoting@kfintech.com and secretarial@anjanicement.com and may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members at the download Section of at <https://evoting.kfintech.com> or contact Mr. Veeda Raghunath, Manager – Corporate Registry of KFIN Technologies Limited at 1800-3094-001 (toll free).

19. M/s D. Hanumanta Raju & Co., Practising Company Secretaries, Hyderabad has been appointed as the Scrutinizer to scrutinize the e-voting at the AGM and remote e-voting process in a fair and transparent manner. The Scrutinizer's decision on the validity of the vote shall be final.
20. The Scrutinizer shall within two working days from the conclusion of the AGM, submit their report of the votes cast in favour or against, if any, to the Chairperson of the Company or any other person authorised by her, and the result of the same will be disclosed forthwith.
21. The results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e. www.anjanicement.com and on the website of KFIN Technologies Limited i.e. www.kfintech.com within two working days from the conclusion of AGM and shall also simultaneously be communicated to the Stock Exchanges where the Company's shares are listed and also displayed in the Notice Board at the Registered Office of the Company.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHODERS

22. As per SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/ 2018/73 dated April 20, 2018 such shareholders holding shares of the Company in the physical form are required to provide details of the PAN and Bank Account details to the Registrar and Share Transfer Agent of the Company. Further, SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the company's RTA.
23. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
 - a. **For shares held in electronic form:** to their Depository Participants ("DPs")
 - b. **For shares held in physical form:** to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

24. Member may please note that that SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/70 dated May 17, 2023, by rescinding earlier circulars, has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at <https://anjanicement.com/investorDownloads.html> and on the website of the Company’s RTA, KFIN Technologies Limited at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
25. SEBI, vide its master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, by rescinding earlier circulars, has mandated Members holding shares in physical form to submit PAN, nomination, contact details, bank account details and specimen signature in specified forms. Members may access <https://anjanicement.com/investorDownloads.html> or <https://ris.kfintech.com/clientservices/isc/isrforms.aspx> for Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, the format of which is available on the Company’s website and on the website of the Company’s Registrar and Transfer Agent.
26. SEBI vide its Notification No. SEBI/LADNRO/GN/2022/66 dated January 24, 2022 and its circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 has amended Regulation 40 of SEBI Listing Regulations and has mandated that all request for transfer of securities including transmission and transposition request shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or KFIN Technologies Limited, for assistance in this regard.
27. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFIN Technologies Limited, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Letter of Confirmation in lieu of consolidation share certificate will be issued to such Members after making the requisite changes for dematerializing said shares.
28. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members 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. The said forms can be downloaded from the Company’s website <https://anjanicement.com/investorDownloads.html>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to KFIN Technologies Limited in case the shares are held in physical form, quoting their folio number.
29. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company’s website <https://anjanicement.com/InvestorQuerySection.html>
30. Members are requested to note that pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 (“the Act”) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), the dividends, which remains unclaimed for a period of 7 (seven) years from the date of transfer to the Unclaimed Dividend Account of the Company is liable to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Further, according to the Act read with the IEPF Rules, all the shares on which dividend remains unclaimed for 7 (seven) consecutive years or more are required to be transferred to the IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

In compliance with the aforesaid requirements, during the financial year 2023-24, the Company has transferred Rs.7,18,613 unpaid / unclaimed interim dividends pertaining to the financial year 2016-17 to the IEPF. Further, the Company has also transferred 1,20,620 corresponding equity shares which were liable to be transferred in favour of IEPF Authority in the prescribed manner.

Please note that the unpaid/unclaimed final dividend for the financial year 2016-17 shall become due for transfer to IEPF on October 12, 2024 upon completion of seven years in terms of section 124(6) of the Act. The corresponding shares shall be transferred to relevant Demat Account of the IEPF Authority as per Rule 6 of the IEPF Rules, 2016, as amended. Members are thus requested to

claim the unclaimed dividend by sending a written application to KFIN Technologies Limited or to the Company's Registered Office address along with (a) copy of PAN Card; (b) a cancelled cheque of your registered bank account; and (c) the original un-encashed Dividend warrant or a duly filled in indemnity letter in the format available on the website of the Company www.anjanacement.com. The said application should reach the Company on or before September 10, 2024 so as to enable us to submit your request to the bankers for transfer by NEFT or issuance of Demand Draft. In case no claim is received with respect to the above dividend, the shares (whether held in physical or electronic form) will be transferred by the Company to the Demat Account of the IEPF Authority. In accordance with the aforesaid IEPF Rules, as amended, the Company had sent notices to all the Members whose shares were due to be transferred to IEPF requesting them to comply with the requirements to claim back the Dividends and avoid transfer of shares and had simultaneously published newspaper advertisement for the same.

The Members whose unclaimed dividends and/or shares have been transferred to the IEPF, may contact the Company or KFIN Technologies Limited and are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 help kit, which is available on IEPF website (www.iepf.gov.in) to the Company / Registrar and Share Transfer Agent (RTA).
2. After verification of the aforesaid documents submitted, Company will issue an entitlement letter.
3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to Company.
4. On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

In terms of Section 124 and 125 of the Act read with the IEPF Rules, the Company has transferred the unpaid / unclaimed Interim dividend declared up to the financial year 2016-17 to the IEPF established by the Central Government.

The following table provides information about outstanding dividend and their respective date of transfer to the IEPF.

| Financial Year | Type of Dividend | Date of Declaration of Dividend | Dividend (%) | Due date of Transfer to IEPF |
|----------------|------------------|---------------------------------|--------------|------------------------------|
| 2016-17 | Final | 08-09-2017 | 10 | 12-10-2024 |
| 2017-18 | Final | 07-09-2018 | 20 | 11-10-2025 |
| 2018-19 | Final | 28-08-2019 | 25 | 03-10-2026 |
| 2019-20 | Final | 21-08-2020 | 50 | 26-09-2027 |
| 2020-21 | Final | 15-09-2021 | 50 | 20-10-2028 |
| 2021-22 | Final | 16-09-2022 | 30 | 21-10-2029 |

31. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Pursuant to Finance Act 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at rates prescribed in the Income-Tax Act, 1961 (the IT Act). For the prescribed rates for various categories, the shareholders are requested to refer to the IT Act and Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Depository Participants (DPs) (if shares held in dematerialized form) and the Company/KFIN (if shares are held in physical form).

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

| | |
|---|---|
| Shareholders having valid PAN | 10% or as notified by the Government of India |
| Shareholders not having PAN / valid PAN | 20% or as notified by the Government of India |

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during the financial year 2023-24 does not exceed ₹5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. A Resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to einward.ris@kfintech.com. The aforesaid declarations and documents need to be submitted by the shareholders by Friday, July 10, 2024.

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

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 7 of the accompanying Notice dated July 10, 2024.

Item No.3

The members at their 35th Annual General Meeting of the Company held on August 28, 2019 had appointed M/s Ramanatham & Rao, Chartered Accountants (Firm Registration No. S-2934) as the Statutory Auditors of the Company to hold office for a second consecutive term of five years i.e. from the conclusion of the 35th Annual General Meeting until conclusion of ensuing 40th Annual General Meeting to be held in year 2024.

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of the present Statutory Auditors expires at the conclusion of this Annual General Meeting. The Board of Directors place on record their appreciation for the service rendered by M/s Ramanatham & Rao, Chartered Accountants.

Accordingly, the Board of Directors of the Company has, based on the recommendation of the Audit Committee and subject to approval of the Members, at its meeting held on July 10, 2024., proposed the appointment of M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S) as Statutory Auditors of the Company for a term of 5 (five) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 45th Annual General Meeting to be held in year 2029.

M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S), have consented to the aforesaid appointment and confirmed that their appointment, if made, will be in accordance with the provisions of Section 139, 141 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Details as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

| | |
|--|---|
| <p>Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change.</p> | <p>The fee proposed to be paid to M/s S C Bose & Co., Chartered Accountants towards statutory audit for the financial year 2024-25 shall not exceed ₹ 7 lakhs, plus out of pocket expenses, with the authority to the Board to make revisions as it may deem fit for the balance term, based on the recommendation of the Audit Committee.</p> <p>The fee for services in the nature of statutory certifications and other permissible non-audit services will be in addition to the statutory audit fee as above, and will be decided by the management in consultation with the Statutory Auditors. The provisions of such permissible non-audit services will be reviewed and approved by the Audit Committee.</p> <p>There is no material change in the proposed fee for the auditor from that of the outgoing auditor.</p> |
| <p>Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.</p> | <p>The Audit Committee and the Board of Directors, while recommending the appointment of M/s S C Bose & Co., Chartered Accountants as Statutory Auditor of the Company, have taken into consideration, among other things, the credential of the firm and partners, proven track record of the firm and eligibility criteria prescribed under the Companies Act, 2013.</p> <p>M/s S C Bose & Co., offering professional services in the areas of Audit & Assurance, Regulatory & Compliance, Business Advisory & Consultancy. Driven by sound principles, M/s S C Bose & Co., has in the past, catered to the needs of big Corporate and Business groups. The Firm is professionally managed firm since year 1991 and consists of distinguished Chartered Accountants, Taxation experts, MBAs, MCAs, Attorneys and arbitrators, Bankers, and Company Secretaries.</p> |

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None of the Directors / Key Managerial Personnel(s) of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Accordingly, the Board, recommends the resolution as set out at Item No. 3 of this Notice for approval of the Members of the Company by way of an Ordinary Resolution.

Item No.4

The Board of Directors at their meeting held on July 10, 2024, on the recommendation of the Audit Committee, had approved re-appointment of M/s Narasimha Murthy & Co, Cost Accountants (Firm Registration Number: 000042) as Cost Auditors to conduct the audit of Cost records of the Company for the financial year ending 31st March, 2025 at a remuneration of ₹2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses actually incurred for the purpose of such audit.

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

None of the Directors / Key Managerial Personnel(s) of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Accordingly, the Board, recommends the resolution as set out at Item No. 4 of this Notice for approval of the Members of the Company by way of an Ordinary Resolution.

Item No.5

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('RPT') with an aggregate value exceeding ₹1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particulars transaction or not. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at arm's length basis.

It is in the above context that item No. 5 is placed for the approval of the Shareholders of the Company.

Chettinad Cement Corporation Private Limited ("CCCPL"), Holding Company of the Company is primarily engaged in manufacturing and selling of cement. CCCPL being the Holding Company, is considered as a related party of the Company as per Section 2(76) of the Companies Act, 2013. As per Regulation 2(1)(zc) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), any transfer of resources, services or obligation between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand or a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023, regardless of whether a price is charged or not is considered as a Related Party Transaction (RPT).

The Company is proposing to enter into/ continue to enter into certain business with CCCPL from the date of 40th Annual General Meeting upto the date of 41st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months. The nature of transactions are in the form of purchase and sale of cement and allied products, materials and rendering and receipt of services on such terms and conditions as the Board of Directors of both the Companies may deem fit.

These transactions of the Company with CCCPL are expected to exceed 10% of the annual consolidated turnover of the Company for the last audited financial statements as on March 31, 2024. Therefore, the said RPTs proposed to be entered into by the Company with CCCPL will be material RTPs and require prior approval of the shareholders through resolution as per Regulation 23 of the SEBI Listing Regulations.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the Act and SEBI Listing Regulations, had granted approval for entering into these RPTs with CCCPL while noting that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

None of the Directors / Key Managerial Personnel(s) of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution. However, the Promoter, CCCPL is interested in this resolution.

Your Board of Directors considered the same and recommends the resolution as set out at Item No.5 of this Notice for approval of Members of the Company by way of an Ordinary Resolution.

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is provided herein below:

Particulars of Material Related Party Transactions between the Company and CCCPL:

| Sr. No | Description | Details |
|--------|--|---|
| 1 | a) Name of Related Party | a) Chettinad Cement Corporation Private Limited ("CCCPL") |
| | b) Its relationship with the listed entity | b) Promoter |
| | c) Nature of its concern or interest in the Company | c) CCCPL holds 75% equity shares of the Company as on date of this notice. |
| 2 | Name of the director or key managerial personnel [KMP] who is related, if any and nature of relationship | Not Applicable |
| 3 | Nature of Transaction, material terms, monetary value and particulars of contracts or arrangements | The transaction involves purchase and sale of cement and allied products and materials, rendering of service, receipt of service for business purpose from/to CCCPL from the date of 40 th Annual General Meeting upto the date of 41 st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months, aggregating upto ₹200 crore. |
| 4 | Value of Transaction | Upto ₹200 crore |
| 5 | Tenure | Transactions entered/to be entered from the date of 40 th Annual General Meeting upto the date of 41 st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months. |
| 6 | Percentage of annual consolidated turnover considering Financial Year 2023-24 as immediately preceding financial year | 32% |
| 7 | Justification | These transactions will help the Company to procure cement and clinker from CCCPL which has close proximity to the markets of your Company to benefit from logistical advantages. This would result in the reduction of delivery costs for the company. Further sale of cement and clinker to CCCPL will help the company for better capacity utilization and realization. |
| 8 | Any advance paid or received for the contract or arrangement, if any | Nil |
| 9 | Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary | Not Applicable |
| 10 | A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the Shareholder | Not Applicable |
| 11 | Any other information that may be relevant | All important information forms part of the statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 forming part of this Notice. |

Item No.6

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('RPT') with an aggregate value exceeding ₹1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particulars transaction or not. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at arm's length basis.

It is in the above context that Resolution No. 6 is placed for the approval of the Shareholders of the Company.

Bhavya Cements Private Limited ("BCPL"), Subsidiary Company of the Company is primarily engaged in manufacturing and selling of cement. BCPL being the subsidiary Company, is considered as a related party of the Company as per Section 2(76) of the Companies Act, 2013. As per Regulation 2(1)(zc) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), any transfer of resources, services or obligation between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand or a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023, regardless of whether a price is charged or not is considered as a Related Party Transaction (RPT).

The Company is proposing to enter into/continue to enter into certain business with BCPL from the date of 40th Annual General Meeting upto the date of 41st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months. The nature of transactions are in the form of purchase and sale of cement and allied products, materials and rendering and receipt of services on such terms and conditions as the Board of Directors of both the Companies may deem fit.

These transactions of the Company with BCPL are expected to exceed 10% of the annual consolidated turnover of the Company for the last audited financial statements as on March 31, 2024. Therefore, the said RPTs proposed to be entered into by the Company with BCPL will be material RPTs and require prior approval of the shareholders through resolution as per Regulation 23 of the SEBI Listing Regulations.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the Act and SEBI Listing Regulations, had granted approval for entering into these RPTs with BCPL while noting that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

None of the Directors / Key Managerial Personnel(s) of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board of Directors considered the same and recommends the resolution as set out at Item No.6 of this Notice for approval of Members of the Company by way of an Ordinary Resolution.

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is provided herein below:

Particulars of Material Related Party Transactions between the Company and BCPL:

| Sr. No | Description | Details |
|--------|--|--|
| 1 | a) Name of Related Party | a) Bhavya Cements Private Limited ("BCPL") |
| | b) Its relationship with the listed entity | b) Subsidiary Company |
| | c) Nature of its concern or interest in the Company | c) The Company is the promoter of BCPL and holds 99.09% of its equity shares as on date of this Notice. |
| 2 | Name of the director or key managerial personnel [KMP] who is related, if any and nature of relationship | Mrs. V. Valliammai, Chairperson and Independent Director of the Company is also the Independent Director of BCPL. Mr. N Venkat Raju, Managing Director of the Company is also the Managing Director of BCPL. Mr. Palani Ramkumar, Non-Executive Non-Independent Director of the Company is also Non-Executive Non-Independent Director of BCPL. |
| 3 | Nature of Transaction, material terms, monetary value and particulars of contracts or arrangements | The transaction involves purchase and sale of cement and allied products and materials, rendering and receipt of service for business purpose from/to BCPL from the date of 40 th Annual General Meeting upto the date of 41 st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months, aggregating upto ₹150 crore. |
| 4 | Value of Transaction | Upto ₹150 crore. |
| 5 | Tenure | Transactions entered/to be entered from the date of 40 th Annual General Meeting upto the date of 41 st Annual General Meeting (both days inclusive) for a period not exceeding fifteen months. |

| Sr. No | Description | Details |
|--------|--|--|
| 6 | Percentage of annual consolidated turnover considering financial 2023-24 as immediately preceding financial year | 24% |
| 7 | Percentage of annual standalone turnover of subsidiary on a standalone basis considering financial year 2023-24 as immediately preceding financial year | 62% |
| 7 | Justification | These transactions will help the Company to procure cement and clinker from BCPL which has close proximity to the markets of your Company to benefit from logistical advantages. This would result in the reduction of delivery costs for the company. Further sale of cement and clinker to BCPL will help the company for better capacity utilization and realization. |
| 8 | Any advance paid or received for the contract or arrangement, if any | Nil |
| 9 | Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary | Not Applicable |
| 10 | A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the Shareholder | Not Applicable |
| 11 | Any other information that may be relevant | All important information forms part of the statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 forming part of this Notice. |

Item No.7

Pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations, the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and subject to approval of the shareholders, the Board of Directors of the Company, on May 15, 2024, had appointed Mr. Umesh Prasad Patnaik (DIN: 10619857) as an Additional Director in the category of Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a first term of 5 (five) consecutive years commencing from May 15, 2024 to May 14, 2029 (both days inclusive).

In terms of Regulation 17 (1C) of the SEBI Listing Regulations, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the Members is being sought for appointment of Mr. Umesh Prasad Patnaik as a Non-Executive, Independent Director of the Company, not liable to retire by rotation.

Mr. Umesh Prasad Patnaik is a Chartered Accountant by profession having more than 20 years of experience in the field of Direct and Indirect Tax - India and APAC, Internal Audit, Accounts & Treasury management in diversified industries like Cement, Pharmaceutical, Consultancy, Textiles, EPC, of which 8 years in big four (E&Y) tax practice encompassing India and other APAC jurisdiction. Taxation being his core areas of expertise, Mr. Patnaik has specialization in handling litigation involving high pitch demands, tax planning and corporate restructurings.

He also has experience in handling transfer pricing including involvement in APA, master file maintenance, hands-on knowledge in country by country reporting, Permanent Establishment analysis, POEM mitigation strategies, tax implication analysis of foreign subsidiaries, Excise, VAT, Service Tax, GST, DRI and DGFT matters related to scrips, advance license, EPCG and drawback. Mr. Patnaik has hands-on experience in FEMA, Companies Act, Ind AS and Finance and Accounts.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Mr. Umesh Prasad Patnaik (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified to act as a Director under Section 164(2) of the Act and (iii) Declaration pursuant to BSE Circular No. LIST/

COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Further, Mr. Umesh Prasad Patnaik has confirmed that he is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Umesh Prasad Patnaik has also confirmed that he is registered with the data bank of Independent Directors maintained by the IICA.

In the opinion of the Board, Mr. Umesh Prasad Patnaik is a person of integrity, is independent of the Management of the Company and fulfils the conditions specified under the Act read with rules thereunder and the SEBI Listing Regulations for his appointment as an Independent Director of the Company.

As required under Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of SS-2, other requisite information is annexed hereto and forms part of this Notice.

Except Mr. Umesh Prasad Patnaik, none of the Directors / Key Managerial Personnel(s) of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board of Directors recommends the resolution as set out at Item No.7 of this Notice for approval of Members of the Company by way of a Special Resolution.

DISCLOSURE RELATING TO DIRECTORS PURSUANT TO REGULATION 36(3) OF SEBI LISTING REGULATIONS AND SS-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

| Particulars | Details |
|---|--|
| Name of the Director | Mr. Umesh Prasad Patnaik |
| Director Identification Number | 10619857 |
| Designation | Independent Director |
| Date of Birth | 27-03-1974 |
| Date of Appointment on the Board | May 15, 2024 |
| Qualification | Chartered Accountant |
| Brief Profile | Please refer explanatory statement to Item No.7 of the Notice. |
| Expertise in specific functional area | Please refer explanatory statement to Item No.7 of the Notice. |
| Terms & Conditions of re appointment along with details of remuneration sought to be paid and last drawn by him | Please refer explanatory statement to Item No.7 of the Notice. Remuneration to be drawn from the Company to comprise sitting fees payable for attending the meetings of the Board of Directors and/or its Committees. |
| Shareholding in the Company as on date | NIL |
| Relationship with other Directors and KMPs of the Company | Mr. Umesh Prasad Patnaik is not related to any Director or Key Managerial Personnel of the Company. |
| Name of listed entities from which the person has resigned in the past three years. | NIL |
| No. of meetings of Board attended during the financial year | Mr. Umesh Prasad Patnaik was appointed as Additional Director effective from May 15, 2024. He attended the board meeting held on May 27, 2024. |
| List of outside Company Directorship held Public Companies | NIL |

NOTICE



| Particulars | Details |
|---|--|
| Chairman/Member of the Committees of other Companies on which he is a Director (includes only Audit Committee and Stakeholders' Relationship Committee) | NIL |
| Skills and capabilities required for the role of Independent Director and the manner in which Mr. Umesh Prasad Patnaik meet such requirements and justification for appointment | Please refer explanatory statement to Item No.7 of the Notice. |

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

Subhanarayan Muduli
Company Secretary
Membership No.: A41513

Chennai, July 10, 2024

Registered Office:
#6-3-553, Unit No. E3 & E4, 4th Floor,
Quena Square Off: Taj Deccan Road,
Erramanzil, Hyderabad – 500 082, Telangana, India
Tel No.: +91 40 2335 3096/3106
Email: secretarial@anjanicement.com
Website: www.anjanicement.com
CIN: L26942TG1983PLC157712



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DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company is pleased to present the 40th Annual Report together with the Audited Financial Statements (Consolidated and Standalone) of your Company for the Financial Year ended March 31, 2024.

FINANCIAL SUMMARY AND HIGHLIGHTS

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

(₹ In Lakhs)

| Particulars | Standalone | | Consolidated | |
|--|----------------|----------------|----------------|----------------|
| | FY 2023-24 | FY 2022-23 | FY 2023-24 | FY 2022-23 |
| Revenue from Operations | 45,942 | 42,218 | 62,390 | 66,150 |
| Other Income | 33 | 41 | 112 | 267 |
| Total Income | 45,975 | 42,259 | 62,502 | 66,417 |
| Total Expenses | 47,826 | 44,270 | 67,540 | 72,831 |
| Profit before Interest, Depreciation and Tax | 2,528 | 2,548 | 2,994 | 2,408 |
| Less: Finance Cost | 2,709 | 2,840 | 3,221 | 3,447 |
| Less: Depreciation | 1,670 | 1,719 | 4,811 | 5,375 |
| Profit/(Loss) Before Tax | (1,851) | (2,011) | (5,038) | (6,414) |
| Total Tax expenses | (680) | (119) | (1,106) | (564) |
| Profit/(Loss) After Tax | (1,171) | (1,892) | (3,932) | (5,850) |
| Other comprehensive income/loss | (20) | 32 | (21) | 59 |
| Total comprehensive income/loss | (1,191) | (1,860) | (3,953) | (5,791) |

FINANCIAL AND OPERATIONAL PERFORMANCE

Financial Performance

a) Revenue from operations

The revenue from operations of the company for the financial year 2023-24 stood at ₹45,942 lakhs as against ₹42,218 lakhs in the previous financial year, a growth of 8.82% over the previous financial year driven by higher sales volume. During the financial year, the Company has consciously distanced from the markets in remote locations to reduce negative margins and focused on proximate markets to ensure positive contribution.

b) Other Income

Other income primarily comprises interest income on bank deposits and Government grants relating to capital subsidy for investment in property, plant and equipment. Other income decreased by ₹8 lakhs mainly due to closer of margin money deposits with bank.

c) Cost of material consumed

The cost of raw materials consumed increased to ₹4,455 lakhs in financial year 2023-24 from ₹4,396 lakhs in the previous financial year due to increase in volume of cement production.

d) Employee benefits expenses

The employee benefit expenses decreased by 6.51% in the financial year 2023-24 mainly due to reduction in number of employees on account of retirement and resignations and restructuring of manpower cost by the Company. Employee benefit expenses accounted for 4.89% of revenue from operations in the financial year 2023-24 as against 5.69% in the financial year 2022-23.

e) Finance Costs

Finance costs decreased by ₹131 lakhs to ₹2,709 lakhs in the financial year 2023-24 from ₹2,840 lakhs in the financial year 2022-23 mainly due to reduction in interest payable on contingent consideration.

f) Depreciation and amortisation expenses

Depreciation and amortization expenses decreased by ₹49 lakhs to ₹1,670 lakhs in the financial year 2023-24 from ₹1,719 lakhs in the financial year 2022-23 mainly due to reduction in the value of Right of use Assets and lower depreciation for certain assets due to completion of useful life.

g) Power & Fuel

The Power & Fuel cost of the Company for the financial year 2023-24 stood at ₹16,797 lakhs as against ₹19,516 lakhs in the previous financial year, a reduction of 13.93% over the previous year, primarily on account of reduction in coal prices in current financial year as compared to the previous financial year and also on account of increased production efficiency. Power and fuel cost accounted for 36.56% of revenue from operations in the financial year 2023-24 as against 46.23% in the financial year 2022-23.

h) Freight and Forwarding Charges

Freight and forwarding expense of the Company for the financial year 2023-24 stood at ₹6,612 lakhs as against ₹5,975 lakhs in the previous financial year, increased by 11% over the previous year, primarily on account of increase in sales volume. Freight and forwarding expense on finished goods accounted for 14.39% of revenue from operations in the financial year 2023-24 as against 14.15% in the financial year 2022-23.

i) Operating Profit

The company made an operating profit of ₹2,528 lakhs in the financial year 2023-24 as compared to ₹2,548 lakhs in the previous financial year. The marginal decrease in the operating profit is primarily on account of lower sales realization even after considering the benefit of higher sales volume in the current financial year.

Operational Performance

Cement

| Particulars (in MT per annum except figures in %) | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Installed Cement Capacity | 11,60,000 | 11,60,000 |
| Cement Production | 8,51,516 | 8,42,547 |
| Utilization Level | 73% | 73% |
| Cement Sales Volume | 11,05,846* | 9,44,242** |

*Including 2,54,858 MT of traded cement

**Including 1,06,678 MT of traded cement

As evident from the above table, during the year, the cement production increased marginally over the previous year and the sales volume of cement increased by 17.11% due to increase in sales of traded cement.

Captive Power Plant

| Power Generation / Consumption/ Export details for Financial Year 2023-24 | | | | | | | | |
|---|---------|------------------|-----------------------|----------------|-------|------------------------|--|--------------|
| Power Plant | UOM | CPP | | | EB | Total Power Generation | Total consumption in cement plant (CPP+EB) | Total Export |
| | | Gross Generation | Auxiliary Consumption | Net Generation | | Net | Net | |
| Anjani Works | Lac KWh | 810.51 | 58.13 | 752.38 | 30.05 | 782.43 | 782.43 | - |

The cost per unit of power consumed during the financial year 2023-24 was ₹7.40 as against ₹8.71 during the previous financial year on account of reduction in cost of coal.

TRANSFER TO RESERVES

The Board of Directors of the Company do not propose to transfer any amount to reserves for the Financial Year ended March 31, 2024.

DIVIDEND

As the Company has incurred loss in the financial year, the Board of Directors have decided that it would be prudent, not to recommend Dividend to its shareholders.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of the Company had formulated and adopted a Dividend Distribution Policy ("the Policy"). The Policy is available on the Company's website at: <http://anjanicement.com/investor/policies/Dividend-Distribution-Policy.pdf>

SHARE CAPITAL

During the financial year, there was no change in the authorized, issued, subscribed and paid-up share capital of the Company. The authorised share capital of the Company as on March 31, 2024 was ₹233,00,00,000/- divided into 4,30,00,000 equity shares of ₹10/- each aggregating to ₹43,00,00,000/- and 19,00,00,000 preference shares of ₹10/- each aggregating to ₹190,00,00,000/-. The paid-up equity share capital of the Company as on March 31, 2024 was ₹29,37,47,640/- divided into 2,93,74,764 equity shares of ₹10/- each.

CHANGE IN THE NATURE OF THE BUSINESS, IF ANY

There was no change in the nature of the business of the Company during the Financial Year.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2024, the Company has one material unlisted subsidiary, viz. Bhavya Cements Private Limited, which was incorporated in the year 2007 and based in Andhra Pradesh is primarily engaged in manufacturing and selling of cement. It has a cement production capacity of 12 lakhs MT p.a. There has been no material change in the nature of the business of the subsidiary.

In terms of Regulation 16 the SEBI Listing Regulations, the Board has formulated and adopted the policy for determining material subsidiaries. The Policy for determining Material Subsidiaries is available on the Company's website at <http://anjanicement.com/investor/policies/Material-Subsidiaries-Policy.pdf>

Your Company does not have any Joint Venture or Associate Company during the Financial Year.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiary for the Financial Year 2023-24 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder, and as stipulated under Regulation 33 of the SEBI Listing Regulations as well as in accordance with the Indian Accounting Standards notified under Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon forms parts of this Annual Report.

Pursuant to Section 129(3) of the Act read with the rules made thereunder, a statement containing salient features of the financial statements of the subsidiary is disclosed in **Form AOC-1**, attached as **Annexure 1**, forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, and Regulation 46 of SEBI Listing Regulations, the electronic copy of financial statements of the subsidiary company shall be available for inspection in the investor section of website of the company at www.anjanicement.com. Any member desirous of obtaining a copy of the said financial statements can send an e-mail to secretarial@anjanicement.com. The financial statements including the consolidated financial statements, and all other documents required to be attached to this report have been uploaded on the website of the Company at www.anjanicement.com.

SCHEME OF AMALGAMATION

The Board of Directors of the Company at its meeting held on January 9, 2024 had considered and approved the draft Scheme of Amalgamation of Bhavya Cements Private Limited, a subsidiary of the Company into and with the Company and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, subject to the requisite statutory and regulatory approvals. As on date of this report, the Company is actively liaising with the requisite statutory and regulatory authorities for obtaining their approval in this regard.

DEPOSITS

During the year, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Further, there are no un-matured / unpaid Fixed Deposits at the end of the Financial Year 2023-24.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, your Company has neither given any loan/ guarantee or provided any security or made any investment, except investment in its Subsidiary as appearing under Note No.3 to the standalone financial statements of this report, attracting the provisions of Section 186 of the Act. The necessary compliance in relation to Section 186 of the Act pertaining to the above said investment have been complied with.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors:

The Company has 6 (six) directors on its Board. The Board of the Company is duly constituted and its composition is in conformity with the applicable provisions of the Act and SEBI Listing Regulations.

Detailed information on Board's composition is disclosed in Corporate Governance Report. All Directors have submitted relevant declarations / disclosures as required under the Act and SEBI Listing Regulations. None of the directors of the Company is disqualified under the provisions of the Act or under the SEBI Listing Regulations.

Appointment / Re-appointment of Director:

- a. As reported last year, Mr. Gopal Perumal (DIN:06630431), was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director on the Board of the Company with effect from June 23, 2023. At the 39th AGM held on September 22, 2023, the Members approved his appointment as Non-Executive, Non-Independent Director of the Company.
- b. As reported last year, Mr. Palani Ramkumar (DIN: 09207219) was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director on the Board of the Company with effect from August 11, 2023. At the 39th AGM held on September 22, 2023, the Members approved his appointment as Non-Executive, Non-Independent Director of the Company.
- c. The Board based on the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Section 149, 161 and other applicable provisions of the Act and applicable provisions of SEBI Listing Regulations, had appointed Mr. Umesh Prasad Patnaik (DIN:10619857) as an Additional Director in the category of Non-Executive, Independent Director on the Board for a first term of 5 (five) years commencing from May 15, 2024 to May 14, 2029 (both days inclusive), subject to approval of Members in the ensuing 40th AGM.

In terms of Regulation 17 (1C) of the SEBI Listing Regulations, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the Members is being sought for the appointment of Mr. Umesh Prasad Patnaik as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, in the ensuing 40th AGM.

The disclosure required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards-2 ("SS-2") on General Meeting are given in the Notice of AGM, forming part of the Annual Report.

Retirement by Rotation:

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Dr. (Mrs.) S. B. Nirmalatha (DIN: 03092392) Non-Executive, Non-Independent Director of the Company, who is eligible to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer herself for re-appointment. The Board of Directors have recommended her re-appointment as Non-Executive Director of the Company, liable to retire by rotation.

The Managing Director and Independent Directors of the Company are not liable to retire by rotation.

Resignation / Retirement of Director:

As reported last year, Mr. V. Palaniappan (DIN: 00645994) has ceased to be a Non-Executive, Non-Independent Director of the Company with effect from closure of the business hours of June 1, 2023 due to his resignation arising out of his personal commitments and other pre-occupations. The Board place on record its appreciation for his invaluable contribution and guidance to the management of the Company during his tenure.

Mr. A. Subramanian (DIN: 06693209), a Non-Executive, Non-Independent Director, who was eligible to retire by rotation at the 39th AGM held on September 22, 2023 pursuant to the provisions of Section 152 and other applicable provisions, if any of the Act and who did not seek re-appointment, ceased to be a Director of the Company with effect from September 22, 2023. The Board place on record its appreciation for his invaluable contribution and guidance to the management of the Company during his tenure.

Mr. RM Palaniappan (DIN: 00143198), a Non-Executive, Independent Director, who was appointed on the Board on May 16, 2019 for a period of five consecutive years commencing from May 16, 2019 has completed his tenure on May 15, 2024. Accordingly, Mr. RM Palaniappan ceased to be a Director of the Company with effect from closure of business hours on May 15, 2024. The Board place on record its appreciation for his invaluable contribution and guidance to the management of the Company during his tenure.

Independent Directors:

In terms of Section 149 of the Act and SEBI Listing Regulations, the Board has two Independent Directors, including one Woman Independent Director, representing diversified fields and expertise.

The Company has received declaration from both of its Independent Directors 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 SEBI Listing Regulations and are independent of the Management. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors possess requisite qualifications, experience and expertise in industry knowledge, and they hold highest standards of integrity.

Further, as stipulated, under the Regulation 17(10) of SEBI Listing Regulations, an evaluation exercise of Independent Directors was conducted by the Board and they have been satisfactorily evaluated by the Board.

The other details are provided in the relevant section of the Corporate Governance Report forming part of this Annual Report.

Key Managerial Personnel (KMP):

In terms of the provisions of Section 2(51) and Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company during the Financial Year 2023-24 are:

- Mr. N. Venkat Raju, Managing Director
- Mr. Sita Ramanjaneyulu Rayapudi, Chief Financial Officer (till September 26, 2023)
- Mr. Rajesh Kumar Dhoot, Chief Financial Officer (with effect from October 1, 2023)
- Mr. Subhanarayan Muduli, Company Secretary

Appointment and Resignation of KMPs:

During the year, Mr. Sita Ramanjaneyulu Rayapudi, Chief Financial Officer of the Company resigned with effect from September 26, 2023.

Based on the recommendation of the Audit Committee and Nomination and Remuneration Committee, the Board has appointed Mr. Rajesh Kumar Dhoot as Chief Financial Officer of the Company with effect from October 1, 2023.

Certificate of Non-Disqualification of Directors:

In accordance with the SEBI Listing Regulations, a certificate has been received from M/s. D. Hanumanta Raju & Co., Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of Company. The same is annexed herewith as **Annexure 9**.

Board Diversity:

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website at http://anjaniment.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf

Succession Planning:

The Nomination and Remuneration Committee of the Board oversees matters relating to succession planning of Directors, Senior Management of the Company.

Directors and Officers Insurance Policy ('D&O Policy'):

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O Policy') policy for all its Directors and members of the Senior Management.

BOARD AND COMMITTEES OF THE BOARD

Board Meeting:

The Board of Directors of your Company met 8 (eight) times during the Financial Year 2023-24. The details relating to the meetings of Board of Directors and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of the Annual Report. The interval between any two meetings of the board is within the stipulated time frame prescribed in the Act, the Secretarial Standards -1 (SS-1) issued by The Institute of Company Secretaries of India (ICSI) and SEBI Listing Regulations.

Committees of the Board:

The Company has the following 5 (five) Board-level Committees, which have been established in compliance with the relevant provisions of the Act and SEBI Listing Regulations.

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

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

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of individual Directors, Committee of the Board and the Board as a whole.

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

Pursuant to the requirements of Para VII (1) of Schedule IV of the Act and the SEBI Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on January 8, 2024, without the presence of Non-Independent Directors and Members of the management, to review the performance of Non-Independent Directors, the Board as a whole and the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non-Executive and Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors of the Company state that:

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

The Board of Directors of the Company follows the criteria for determining qualifications, positive attributes, independence of a Director as per Nomination and Remuneration Policy and the Board Diversity Policy.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy.

Due to losses incurred during the immediately preceding financial year and the profit after tax on standalone basis computed as per section 198 of the Companies Act, 2013, being negative, and also by virtue of not meeting the Net worth and Turnover criteria as specified under section 135(1) of the Companies Act, 2013, the Company is not required to spend any amount on CSR activities for the Financial Year 2023-24. However, as part of company's continued commitment to the society, an amount of ₹21,54,576 was spent towards CSR Activities on a voluntary basis during the Financial Year 2023-24.

A Report on CSR activities as required under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 is attached as **Annexure 4** this Annual Report.

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

The CSR Policy of the Company is available on the Company's website at <http://www.anjanacement.com/investor/corporategovernance/CorporateSocialResponsibilityPolicy.pdf>

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, all the related party transactions were entered on arm's length basis and in the ordinary course of business, in accordance with the provisions of the Act and rules made thereunder, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions. There were no materially significant related party transactions made by the Company with Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

All such related party transactions entered into by the Company, were accorded prior approval/ratified by the Audit Committee. Prior omnibus approval was obtained for the related party transactions which were foreseen and repetitive in nature and entered in the ordinary course of business and on an arm's length basis. A statement of all related party transactions was presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Pursuant to the provisions of the SEBI Listing Regulations, if any Related Party Transactions exceeds ₹1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Members' approval. The material Related Party Transactions entered during the financial year 2023-24 and upto the ensuing AGM had been duly approved by the Members of the Company at their 39th Annual General Meeting held on September 22, 2023.

In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contracts or arrangements entered into by the Company with related parties as referred to in Section 188 of the Act in **Form AOC-2** is attached as **Annexure 2** of this Annual Report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Annual Report.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, the Company has filed half yearly reports to the stock exchanges, for the related party transactions.

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a policy on Related Party Transactions and is available on Company's website at <https://anjanacement.com/investor/corporategovernance/Related%20Party%20Transaction%20%20Policy.pdf>

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

There were no material changes and commitments in terms of Section 134(3)(l) of Act, affecting the financial position of the Company between the end of the Financial Year of the Company as on March 31, 2024 and the date of this report.

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

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

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 (3) (m) of the Act read with the Companies (Accounts) Rules, 2014, is set out in the **Annexure 3** to this report.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

I. Disclosures as per Rule 5(1):

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2023-24:

| Name of the Director/KMP | Designation | Ratio to median remuneration of all employees |
|----------------------------------|-------------------|---|
| Executive Director | | |
| Mr. N. Venkat Raju | Managing Director | 18.09 times |
| KMPs | | |
| Mr. Sita Ramanjaneyulu Rayapudi* | CFO | 3.22 times |
| Mr. Rajesh Kumar Dhoot** | CFO | 4.12 times |
| Mr. Subhanarayan Muduli | Company Secretary | 2.04 times |

Note: Independent Directors and other Non-Executive Directors of the Company were paid sitting fees and were not paid any remuneration during the Financial Year. Hence, details sought in (a) above are not applicable for Independent Directors and other Non-Executive Directors.

*Resigned with effect from September 26, 2023

**Appointed with effect from October 1, 2023

b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year 2023-24:

| Name | Designation | % increase in remuneration in the Financial Year |
|----------------------------------|---|--|
| Mr. N. Venkat Raju | Managing Director | 15% |
| Mrs. V. Valliammai | Non-Executive, Independent Director | - |
| Mr. RM. Palaniappan | Non-Executive, Independent Director | - |
| Mr. A. Subramanian | Non-Executive, Non-Independent Director | - |
| Mr. V. Palaniappan | Non-Executive, Non-Independent Director | - |
| Dr.(Mrs.) S.B. Nirmalatha | Non-Executive, Non-Independent Director | - |
| Mr. Sita Ramanjaneyulu Rayapudi* | CFO | 14.80% |
| Mr. Rajesh Kumar Dhoot** | CFO | NA |
| Mr. Subhanarayan Muduli | Company Secretary | 15% |

*Resigned with effect from September 26, 2023

**Appointed with effect from October 1, 2023

c) The percentage increase in the median remuneration of employees in the Financial Year 2023-24: 7.92%

d) The number of permanent employees on the rolls of Company as at March 31, 2024: 238

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year 2023-24 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 annual salaries of employees decreased by 1.53%. There has been an increase of 15% in the managerial remuneration in Financial Year 2023-24 as compared to previous Financial Year. Increase in managerial remuneration is in line with the remuneration policy of the Company.

f) Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms remuneration is as per the remuneration policy of the Company.

The disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided above. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members at the registered office of the Company during business hours on all working days (except Saturday), up to the date of ensuing Annual General Meeting. Any Member interested in obtaining such particulars may write to the Company Secretary at secretarial@anjanicement.com and the same will be provided free of cost to the Member.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, as stipulated in terms of the SEBI Listing Regulations, forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company has complied with the requirements regarding Corporate Governance as stipulated in SEBI Listing Regulations. Pursuant to Regulation 34 read with Part C of Schedule V of the SEBI Listing Regulations, a Report on Corporate Governance, forms part of this Annual Report along with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part E of Schedule V to the SEBI Listing Regulations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") on initiatives taken from an environmental, social and governance prospective, in the prescribed format is available as a separate section of this Annual Report.

The Business Responsibility and Sustainability Policy is available on the Company's website at <https://anjanicement.com/investor/policies/Business%20Responsibility%20Policy%20Revised.pdf>

RISK MANAGEMENT

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, monitor and review the Risk Management plan and to ensure its effectiveness. Pursuant to Section 134(3) (n) of the Act and Regulation 17(9) of SEBI Listing Regulations, the Company has developed and implemented a Risk Management Policy that includes the process for identifying, minimizing and mitigating risk which is periodically reviewed by the Risk Management Committee, Audit Committee and Board of Directors. Risk assessment and mitigation forms a concurrent part of the management process. Periodical reviews by the Risk Management Committee, Audit Committee and Board of Directors of various operational, financial, marketing, cyber security and legal parameters affecting the Company, as per the Risk Management Policy is conducted and risk management and mitigating procedures are adopted on a continuous basis.

The Risk Management Policy is available on the website of the Company at <http://anjanicement.com/investor/policies/RISK%20MANAGEMENT%20POLICY-ANJANI.pdf>

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the SEBI Listing Regulations.

The policy provides a platform for the directors and employees to report genuine concerns or grievances. No person was denied access to the Chairperson of the Audit Committee.

The policy of vigil mechanism is available on the Company's website at <http://anjanicement.com/investor/corporategovernance/VigilMechanism.pdf>

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy on Prevention of Sexual Harassment at

Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaint received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. Further, the Policy also gives shelter to contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company at its office.

The Policy for prevention of sexual harassment is available on the Company's website at <http://anjanacement.com/investor/corporategovernance/SexualharassmentPolicy.pdf>

During the year, the Company has not received any complaint of sexual harassment.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) (a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the Financial Year ended March 31, 2024 is available on the Company's website at http://www.anjanacement.com/annual_return.html

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDER

In terms of SEBI (Prohibitions of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations"), as amended from time to time, the Company has adopted a Code of Conduct for Prevention of Insider Trading (Insider Code) as approved by the Company's Board. Any Insiders including designated employees & persons and their relatives are, inter-alia, prohibited from trading in the shares and securities of the Company or counsel any person during any period when the "unpublished price sensitive information" are available with them.

The Insider Code also requires pre-clearance for dealing in the Company's shares and prohibits dealing in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

AUDITORS

Statutory Auditors:

The Members at the 35th AGM of the Company held on August 28, 2019 had appointed M/s. Ramanatham & Rao, Chartered Accountants (Firm Registration Number S-2934) as the Statutory Auditors of the Company to hold office for a second term of five years i.e. from the conclusion of the 35th AGM until the conclusion of the 40th AGM to be held in year 2024. M/s. Ramanatham & Rao have audited the standalone and consolidated financial statement of the Company for the Financial Year ended March 31, 2024. The Statutory Auditors' report does not contain any qualification, reservation or adverse remark. The Statutory Auditors have issued an unmodified opinion on the financial statements for the Financial Year 2023-24 and the Auditor's Report forms part of this Annual Report. During the year, there were no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act. The Statutory Auditors produced the certificates issued by Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33(1) (d) of SEBI Listing Regulations.

Further, as the tenure of M/s. Ramanatham & Rao, Chartered Accountants (Firm Registration Number S-2934) as the Statutory Auditors of the Company is expiring at the conclusion of the ensuing AGM of the Company and as they cannot be re-appointed pursuant to the provisions of the Section 139 of the Act, the Board of Directors have, based on the approval and recommendation of the Audit Committee and subject to approval of the Members, appointed M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S) as Statutory Auditors for a term of 5 (five) years to hold office from the conclusion of the 40th AGM till the conclusion of the 45th Annual General Meeting of the Company to be held in year 2029.

As required under section 139 of the Act, M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S), have informed the Company that their appointment, if made, shall be in compliance of Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014 and also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Necessary resolution seeking Member's approval for appointment of M/s S C Bose & Co., Chartered Accountants (Firm Registration No. 004840S) as Statutory Auditor of the Company is included in the notice convening ensuing Annual General Meeting.

Secretarial Auditors:

In line with the requirement of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the SEBI Listing Regulations and other applicable provisions, if any, the Board of Directors of the Company, on the recommendation made by the Audit Committee, had appointed M/s. D. Hanumanta Raju & Co, Company Secretaries in Practice

as Secretarial Auditors to carry out Secretarial Audit of the Company for the Financial Year 2023-24. Accordingly, the Report of the Secretarial Audit is annexed herewith as **Annexure 5** of this Annual Report. The said Secretarial Audit report does not contain any qualification, reservation or adverse remark.

Annual Secretarial Compliance Report:

Pursuant to Regulation 24A (2) of the SEBI Listing Regulations, the Company has undertaken an audit for the Financial Year 2023-24 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s. D. Hanumanta Raju & Co, Company Secretaries, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed as **Annexure 6** of this Annual Report.

Secretarial Audit Report of Material Unlisted Indian Subsidiary:

As per Regulation 24A (1) of the SEBI Listing Regulations, the Company is required to annex the secretarial audit report of its material unlisted subsidiary to its Annual Report. Accordingly, Secretarial Audit of Bhavya Cements Private Limited, the material unlisted Indian subsidiary of the Company was undertaken by M/s. P.S. Rao & Associates, Company Secretaries, Hyderabad for the Financial Year 2023- 24 and their Report is annexed as **Annexure 7** to this Annual Report.

Cost Auditors:

Pursuant to Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014, the Company has maintained the cost records for the Financial Year 2023-24. The Board of Directors on the recommendation of the Audit Committee appointed M/s. Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2023-24.

Further, the Board of Directors on the recommendation of the Audit Committee have appointed M/s. Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2024-25 and fixed their remuneration, subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company. Necessary resolution seeking Member's approval for ratification of remuneration payable to the Cost Auditors for the Financial Year 2024-25 in compliance with Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, is included in the notice convening ensuing Annual General Meeting.

The Cost Audit Report for the Financial Year ended March 31, 2023 was filed with the Central Government on August 29, 2023 vide SRN F63605216 within the stipulated time.

The Cost Audit Report for the Financial Year ended March 31, 2024 due to be received from the Cost Auditor of the company within 180 days from the closure of the Financial Year, would be filed with the Central Government within 30 days of its receipt thereof.

Internal Auditors:

During the year, M/s. M. Bhaskara Rao & Co. has acted as Internal Auditors of the Company. Audit observations of the Internal Auditors and corrective actions thereon are periodically presented to the Audit Committee of the Board. The Board of Directors on the recommendation of the Audit Committee re-appointed M/s. M. Bhaskara Rao & Co. to carry out the Internal Audit of the Company for the Financial Year 2024-25.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS

Based on the compliance systems established and maintained by the Company, the work performed by the internal, statutory, secretarial auditor and external consultants including the audit of internal financial controls over financial reporting by statutory auditors along with the Company's self-assessment procedures, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year ended March 31, 2024.

UNCLAIMED DIVIDEND

In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), during the year, unclaimed dividend amounting to ₹7,18,613 was transferred by the Company to the Investor Education and Protection Fund ("IEPF"), along with the underlying 1,20,620 equity shares which were transferred to the demat account of the IEPF Authority, pertaining to the financial year 2016-17's Interim Dividend, in accordance with the IEPF Rules, as the dividend(s) has not been claimed by the shareholders for 7 (seven) consecutive years or more.

For details of dividend relating to Financial Years and the due dates on which the unclaimed dividend amounts with respect to the same would have to be remitted into IEPF, please refer the General Shareholder information section of the Corporate Governance Report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year, there was no application or any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

ONE TIME SETTLEMENT WITH BANK

During the year, there was no case of loan for which one-time settlement was required to be made with any Bank or Financial Institution.

SECRETARIAL STANDARDS

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

ACKNOWLEDGEMENT

The Board of Directors wish to thank all the shareholders, statutory bodies, departments of the State and Central Government, Bankers, suppliers, customers, employees and all other stakeholders for their invaluable and continued support to the Company.

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

Chennai, July 10, 2024

V. Valliammai
Chairperson
DIN: 01197421



FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Companies Act, 2013

Part – A: Subsidiaries

(₹ In Lakhs)

| Sl. No. | Particulars | Details |
|---------|---|---------------------------------|
| 1 | Name of the subsidiary | Bhavya Cements Private Limited |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 1st April 2023- 31st March 2024 |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR |
| 4 | Share capital | 13,232 |
| 5 | Reserves & surplus | (1,197) |
| 6 | Total assets | 24,064 |
| 7 | Total Liabilities | 12,029 |
| 8 | Investments | 0 |
| 9 | Turnover | 24,146 |
| 10 | Profit/(Loss) before taxation | (1,745) |
| 11 | Provision for taxation | (57) |
| 12 | Profit/(Loss) after taxation | (1,688) |
| 13 | Proposed Dividend | 0 |
| 14 | Other Comprehensive Income | (1) |
| 15 | Total Comprehensive Income for the year | (1,688) |
| 16 | % of shareholding | 99.09% |

1. List of Subsidiaries which are yet to commence the operations - NIL

2. List of Subsidiaries sold/liquidated during the year – NIL

Part – B: Associates and Joint Ventures

The company does not have any Associate or Joint Venture.

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

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

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

V. Valliammai
Director
(DIN: 01197421)

C. Kameshwar Rao
Partner
Membership No : 024363

S.B. Nirmalatha
Director
(DIN: 03092392)

Gopal Perumal
Director
(DIN: 06630431)

Place : Hyderabad
Date : 27th May, 2024

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Subhanarayan Muduli
Company Secretary
M. No.A41513

Place : Chennai
Date : 27th May, 2024

FORM NO.AOC-2

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

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

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

There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2024, which are not at arm's length basis and not in ordinary course of business.

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

| Sl. No. | Name(s) of the Related Party and Nature of Relationship | Nature and Salient terms of contracts/ arrangements/ transactions | Duration of the contracts / arrangements/ transactions | Value of the transactions | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---------|---|--|--|--|---|---------------------------------|
| 1 | Chettinad Cement Corporation Private Limited (CHPL), Holding Company | Purchase/Sale of Cement, Clinker, Fly Ash, Cement Bags and availing and rendering of services. | Continuous / On-going | The transaction value for the Financial Year 2023-24 with CCCPL was ₹2,995.41 lakhs. | Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings. | Nil |
| 2 | Bhavya Cements Private Limited (BCPL), Subsidiary Company | Purchase/Sale of Cement, Clinker, Fly Ash, Cement Bags and availing and rendering of services. | Continuous / On-going | The transaction value for the Financial Year 2023-24 with BCPL was ₹9,726.93 lakhs. | | Nil |
| 3 | Chettinad Logistics Private Limited (CLPL), Common Director (till June 1, 2023) | Purchase of coal and availing of services. | Continuous / On-going | The transaction value for the Financial Year 2023-24 with CLPL was ₹2,314.73 lakhs. | | Nil |
| 4 | Chettinad Holdings Private Limited (CHPL), Common Director | Availing of services. | Continuous / On-going | The transaction value for the Financial Year 2023-24 with CHPL was ₹12.67 lakhs. | | Nil |

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

Chennai, July 10, 2024

V. Valliammai
Chairperson
DIN: 01197421

40th Annual Report 2023 - 24

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

Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the Financial Year ended March 31, 2024.

| CONSERVATION OF ENERGY | |
|---|--|
| (i) The steps taken on conservation of energy | <ol style="list-style-type: none"> 1. Installed energy efficiency BLDC fans in place of conventional fans. 2. Installed LED lights in place of conventional lights. 3. Installed energy efficiency motors in place of outdated motors. 4. In Captive Power Plant – Lowest Auxiliary power consumption of 7.08%. 5. In Captive Power Plant heat consumption during the financial year 2023-24 was 3236 Kcal/kwhr as against 3349 Kcal/kwhr during the previous financial year. |
| (ii) The steps taken by the Company for utilizing alternate sources of energy | <ol style="list-style-type: none"> 1. Alternate fuels like Pharma waste were used in place of indigenous / imported coal to substitute coal to an extent of 9.05 % of thermal energy requirement in the plant. 2. Limestone used as OPC cement additive in place of Clinker to an extent of 1.37%. |
| (iii) The capital investment on energy conservation equipments | <ol style="list-style-type: none"> 1. Installed VFD for Cooler fan-8 in place of DOL for Energy saving purpose. 2. Installed VFD for Cooler fan-6 in place of DOL for Energy saving purpose. 3. Installed VFD module 150KW as spare for critical drives & Initial Cost investment reduction by in-house wiring spare panel. 4. Installed in-house wiring MCC panel in place of existing MCC panel for new packer & initial cost reduction of 15 lakhs. 5. Installed VFD for DPC Bag filter in place of DOL for Energy saving purpose. |
| TECHNOLOGY ABSORPTION | |
| (i) The efforts made towards technology absorption | <ol style="list-style-type: none"> 1. Insulation floor coating for Load centers 1, 2, 3 & 4 for person safety. 2. Installed new motor protection relays in place of failed/outdated relays for HT motor drives for equipment safety. 3. Installed new feeder protection relays in place of failed relays for Line-2 Load center -1 & 2, 3 & 4 for equipment safety. 4. Installed new transformer protection relays in place of failed relays for Line-2 Load center-1 & 2, 3 & 4 for equipment safety. 5. Installed protection relays for compressors in place of convention relays for equipment safety. |

| | |
|--|--|
| (ii) The benefits derived from key projects like product improvement, cost reduction, product development or import substitution. | <p>To reduce cost, the following steps were implemented:</p> <ol style="list-style-type: none"> 1. Consumption of alternative raw materials (like Iron sludge, casting sludge ETP sludge & Spent Gypsum) at zero cost. 2. Consumption of alternative fuels (like Spent Carbon, organic solids, organic liquid, Dolochar & Rice husk) at zero cost in place of indigenous / imported coal. 3. Consumption of fly ash and our own CPP fly ash in finished product. 4. Consumption of granulated slag in finished product. 5. Consumption of process sludge in place of Laterite at zero cost. |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - a. The details of technology imported; b. The year of import; c. Whether the technology been fully absorbed; d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof; and | NIL |
| (iv) The expenditure incurred on Research and Development | NIL |
| FOREIGN EXCHANGE EARNINGS & OUTGO | NIL |

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

V. Valliammai
Chairperson
DIN: 01197421

Chennai, July 10, 2024

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

The CSR policy of the Company is focused on fostering social well-being. Through our CSR initiative, we strive to attain the same. The Company as per its CSR policy may carry out any project, programme or activity in the areas specified under Schedule VII of the Companies Act, 2013 as on date, or as may be specified from time to time.

2. Composition of CSR Committee:

| Sl. No. | Name of the Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------|--|--|--|
| 1 | Mr. N Venkat Raju | Chairman, Managing Director | 1 | - |
| 2 | Mrs. V. Valliammai | Member, Non-Executive Independent Director | 1 | 1 |
| 3 | Dr.(Mrs.) S.B. Nirmalatha | Member, Non-Executive 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 on our website at http://anjanacement.com/our_committees_board.html

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

The CSR projects approved by the Board is available on our website at <https://anjanacement.com/investor/policies/CSR%20Annual%20Action%20Plant%20for%20the%20FY%202022-23.pdf>

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the company as per section 135(5): Not Applicable*

(b) Two percent of average net profit of the company as per section 135(5): Not Applicable*

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: NIL

(e) Total CSR obligation for the financial year [(b) + (c) - (d)]: NIL*

6. (a) Amount spent on CSR Projects:

Ongoing Project: NIL

Other than Ongoing Project: ₹ 21,54,576*

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ₹ 21,54,576*

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in ₹) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹21,54,576* | NIL | - | - | NIL | - |

(f) Excess amount for set-off, if any:

| Sl. No. | Particulars | Amount (in ₹) |
|---------|---|-----------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section 5 of section 135 | Not Applicable* |
| (ii) | Total amount spent for the Financial Year | ₹ 21,54,576* |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | ₹ 21,54,576* |
| (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 |

***Note:** Due to losses incurred during the immediately preceding financial year and the profit after tax on standalone basis computed as per section 198 of the Companies Act, 2013, being negative, and also by virtue of not meeting the Net worth and Turnover criteria as specified under section 135(1) of the Companies Act, 2013, the Company is not required to spend any amount on CSR activities for the Financial Year 2023-24. However, as part of company's continued commitment to the society, an amount of ₹21,54,576 was spent towards CSR Activities on a voluntary basis during the FY 2023-24.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| (1) Sl. No | (2) Preceding Financial Year(s) | (3) Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | (4) Balance amount in unspent CSR amount under sub-section(6) of section 135 (in ₹) | (5) Amount spent in the Financial Year (in ₹) | (6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | | (7) Amount remaining to be spent in succeeding Financial Years (in ₹) | (8) Deficiency, if any |
|---------------|------------------------------------|---|--|--|--|------------------|--|---------------------------|
| | | | | | Amount (in ₹) | Date of transfer | | |
| 1 | 2020-21 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 2 | 2021-22 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 3 | 2022-23 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

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: NA

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

| Sl. No | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code 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) | (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 immovable 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 section 135(5): Not Applicable

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

V. Valliammai
Independent Director
Member – CSR Committee
DIN: 01197421

N Venkat Raju
Managing Director
Chairman – CSR Committee
DIN: 08672963

Chennai, July 10, 2024

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

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

To
The Members,
ANJANI PORTLAND CEMENT LIMITED

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, confirmation and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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 financial year ended on 31st March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the period of audit)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- **(Not applicable to the company during the period of audit);**
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **(Not applicable to the company during the period of audit);**
 - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **(Not applicable to the Company during the period of audit);**
 - (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the company during the period of audit);**
 - (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Other laws **specifically** applicable to the Company as per the representations made by management include:
 - A. The Factories Act, 1948 and Rules thereunder;
 - B. The Environment (Protection) Act, 1986 and Rules thereunder;
 - C. The Water (Prevention & Control of Pollution) Act, 1974 read with the Rules;
 - D. The Air (Prevention & Control of Pollution) Act, 1981 read with the Rules;

- E. The Inter State Migrant Workmen Act, 1979 and The Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980 read with the Telangana Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Rules, 1982;
- F. The prevention of Food Adulteration Act, 1954 and Rules made thereunder;
- G. Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules, 2011 read with Amendment Rules, 2017;
- H. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- I. The Mines Act, 1952 and rules thereunder; and
- J. All other Labour, Employee and Industrial Laws to the extent applicable to the Company;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE).

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

We further report that

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

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

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

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

We further report that during the period under review, the Board of Directors of the Company at its meeting held on January 9, 2024 had considered and approved the Scheme of Amalgamation of Bhavya Cements Private Limited, a subsidiary of the Company into and with the Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, subject to the requisite statutory and regulatory approvals.

For **D. Hanumanta Raju & Co**
Company Secretaries

CS Mohit Kumar Goyal
Partner

FCS: 9967, CP:12751
UDIN: F009967F000705629
PR No: 699/2020

Place: Hyderabad
Date: July 10, 2024

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

To
The Members,
ANJANI PORTLAND CEMENT LIMITED

Our report of even Date is to be read along with this letter:

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

For **D. Hanumanta Raju & Co**
Company Secretaries

CS Mohit Kumar Goyal
Partner

FCS: 9967, CP:12751
UDIN: F009967F000705629
PR No: 699/2020

Place: Hyderabad
Date: July 10, 2024

SECRETARIAL COMPLIANCE REPORT OF ANJANI PORTLAND CEMENT LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

- a) all the documents and records made available to us and explanation provided by **ANJANI PORTLAND 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 Report, for the financial year ended 31st March, 2024 (“Review Period”) in respect of compliance with the provisions of:
 1. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 2. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Listed Entity during the review period**)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Listed Entity during the review period**)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not applicable to the Listed Entity during the review period**)
- f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the Listed Entity during the review period**); and
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars / guidelines issued thereunder; and based on the above examination, We hereby report that, during the Review Period:

- (a) The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The Listed Entity has taken the following actions to comply with the observations made in previous reports: **Not applicable for the period under review.**
- l. We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

| Sr. No | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS |
|--------|--|-------------------------------|-------------------------------|
| 1. | Secretarial Standard: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI). | Yes | NIL |
| 2. | Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time as per the regulations/ circulars/ guidelines issued by SEBI. | Yes | NIL |

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| Sr. No | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS |
|--------|--|-------------------------------|--|
| 3. | Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website. | Yes | NIL |
| 4. | Disqualification of Director: None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity. | Yes | NIL |
| 5. | Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries. | Yes | NIL |
| 6. | Preservation of Documents: 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 | NIL |
| 7. | Performance Evaluation: 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 | NIL |
| 8. | Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee. | Yes Not Applicable | NIL There are no such transactions. |
| 9. | Disclosure of events or information: 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 thereunder. | Yes | NIL |
| 10. | Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. | Yes | NIL |

| Sr. No | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS |
|--------|--|-------------------------------|---|
| 11. | <p>Actions taken by SEBI or Stock Exchange(s), if any:</p> <p>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.</p> | Yes | NIL |
| 12. | <p>Resignation of statutory auditors from the listed entity or its material subsidiaries:</p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/ or its material subsidiary(ies) has/have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.</p> | Not Applicable | During the review period there was no such event. |
| 13. | <p>Additional Non-Compliances, if any:</p> <p>No additional non-compliances observed for any SEBI regulation/ circular/ guidance note etc.</p> | Yes | NIL |

Assumptions & Limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **D. Hanumanta Raju & Co**
Company Secretaries

CS Mohit Kumar Goyal
Partner

FCS: 9967, CP:12751
UDIN: F009967F000452631
PR No: 699/2020

Place: Hyderabad
Date: May 27, 2024

SECRETARIAL AUDIT REPORT OF BHAVYA CEMENTS PRIVATE LIMITED (UNLISTED MATERIAL SUBSIDIARY)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,

**The Members,
BHAVYA CEMENTS PRIVATE LIMITED
GUNTUR.**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2024 according to the provisions of:
 - (i) The Companies Act, 2013 ("the Act") (applicable sections as on date) and the rules made thereunder;
 - (ii) The Depositories Act, 1996 and the regulations and bye-laws framed by the Securities and Exchange Board of India ("SEBI") thereunder;
2. The industry specific major laws that are applicable to the Company are as follows:
 - a) The Boilers Act, 1923
 - b) The Indian Explosives Act, 1884
 - c) The Water (Prevention and Control of Pollution) Act, 1974
 - d) The Air Prevention and Control of Pollution Act, 1981
 - e) The Environment (Protection) Act, 1986, The Environment (Protection) Rules, 1986 and Public Liability Insurance Act, 1991
 - f) The Electricity Act, 2003
 - g) The Factories Act, 1948
 - h) Static and Mobile Pressure Vessels (Unfired) Rules, 1981
 - i) The Mines Act, 1952
 - j) Mines and Minerals (Development and Regulation) Act, 1957
 - k) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 - l) Cement (Quality Control) order, 2003
 - m) The Legal Metrology Act, 2009
 - n) The Forest (Conservation) Act, 1980

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

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

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

We further report that:

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

| Sl. No. | Name of the Director | DIN | Designation | Comments |
|---------|-------------------------------|----------|------------------------|--|
| 1 | Valliammai Valliappan | 01197421 | Independent Director | Appointed as Non-Executive Independent Director for a period of 5 years from 16/06/2021 |
| 2 | Maganthi Satyanarayana Murthy | 01612799 | Independent Director | Appointed as Non-Executive Independent Director for a period of 5 years from 02/02/2022 |
| 3 | Venkat Raju Nadimpalli | 08672963 | Managing Director | Appointed as Managing Director for a period of 5 years from 13/12/2021. who is liable to retire by rotation. |
| 4 | Palani Ramkumar | 09207219 | Non-Executive Director | Appointed as Non-Executive Director on 09/08/2021 who is liable to retire by rotation. |

Mr. Subramanya Rao Sandeep (DIN: 09207372) Non-Executive Director of company was resigned with effect from 11/08/2023.

Adequate notice was given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and obtained necessary consents for meetings held on shorter notice 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.

We further report that during the year under review, the Board meetings were held on May 16, 2023, August 08, 2023, August 11, 2023, November 08, 2023, December 29, 2023, January 08, 2024, (Adjourned Board meeting held on January 09, 2024) and February 09, 2024.

We further report that during the period under review, the Board of Directors of the Company at its meeting held on January 9, 2024 had considered and approved the Scheme of Amalgamation of the Company into and with Anjani Portland Cement Limited, Holding Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, subject to the requisite statutory and regulatory approvals.

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

For **PS. RAO & ASSOCIATES**
Company Secretaries

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

Place: Hyderabad
Date: July 8, 2024

UDIN: A026859F000689391
Peer Review Cert. No.: 1890/2022

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

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To,
**The Members,
BHAVYA CEMENTS PRIVATE LIMITED
GUNTUR.**

Our report of even date is to be read along with this letter.

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

For **PS. RAO & ASSOCIATES**
Company Secretaries

Vanitha Nagulavari
Practicing Company Secretary
M. No.: A26859
C.P. No.:10573
UDIN: A026859F000689391
Peer Review Cert. No.: 1890/2022

Place: Hyderabad
Date: July 8, 2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO AND OUTLOOK

Global Economy:

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruption in the aftermath of the pandemic, a Russian-Ukraine war that triggered a global energy and food crises, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

According to expert predictions, global growth for 2024 and 2025 is projected to be around 3.2 percent. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies.

Indian Economy:

Despite uncertainty from adverse geopolitical developments and expansionary fiscal measures taken during the COVID-19 pandemic, the Indian economy has demonstrated resilience and maintained healthy macroeconomic fundamentals. India continues to exhibit robust economic performance. Factors such as strong domestic demand more so from rural regions, robust investment, and sustained manufacturing momentum have contributed to India's resilience.

The National Statistical Office (NSO) reported, based on the provisional estimates of Annual Gross Domestic Product (GDP) for the financial year 2023-24, that India's real GDP is projected to grow at 8.2% in FY 2023-24 as compared to the growth rate of 7.0% in FY 2022-23. This growth is attributed to robust domestic demand and strong performance in the manufacturing and services sectors. According to expert predictions, the Indian economy is expected to grow by 6.5% in FY 2025.

INDUSTRY OVERVIEW

India is the second-largest producer of cement in the world. It accounts for more than 8% of the global installed capacity. India has potentially rich deposits of limestones in different regions of the country essentially suitable for cement production. India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Furthermore, on the back of rising rural housing demand, the consumption of cement in India has been growing consistently as it is one of the cheapest products to buy in terms of Rs./kg. Strong expansion of the industrial sector, which has fully recovered from the COVID-19 pandemic shock, is one of the main demand drivers for the cement industry. As a result, there is a strong potential for an increase in the long-term demand for the cement industry. However, the per capita consumption of Cement in India is significantly lower than the global average, at between 250 kg and 270 kg per person, compared to 500 kg and 550 kg per person globally.

The demand for cement in India is expected to grow at a sturdy pace supported by government-led spending on infrastructure and housing. The Indian government is firmly focused on infrastructure development to spur economic growth and is striving for full infrastructure coverage to establish smart cities. The government plans to increase the capacity of railways and the facilities for handling and storage to enable the transfer of cement and cut out on transportation costs. These measures are expected to result in increased construction activity in the country, thereby boosting demand for cement.

According to expert predictions, the overall cement industry in the country is likely to add 150-160 million tonnes of capacity in five years. In the last five years, cement-makers have added close to 120 million tonnes of capacity, taking the country's total to around 600 million tonnes. More consolidation is on the cards for the cement sector. In 2023, the market size of India's cement industry reached 0.4 billion tonnes and is expected to touch 0.6 billion tonnes by 2032, exhibiting a CAGR of 4.7% during 2024-32. India has a high quantity and quality of limestone deposits throughout the country, the cement industry promises huge potential for growth. India's cement production reached 374.55 million tonnes in FY23, a growth rate of 6.83% year-on-year (yoy). India's cement production for FY24 is expected to grow by 7-8% driven by infrastructure-led investment and mass residential projects.

PERFORMANCE REVIEW

Operational Performance:

Cement

At present, our installed annual cement manufacturing capacity is 11,60,000 MT. However, in the financial year 2022-23 and financial year 2023-24 our annual production was 8,42,547 MT and 8,51,516 MT of cement respectively, constituting an annual capacity utilisation of 73%. This is above the industry average capacity utilisation of 70%. Further, the cement industry average capacity utilisation is projected to increase to 75% over the next five years with the activities on development of infrastructure coupled with government-led spending on infrastructure and housing.



The Company is consistently enhancing its operational efficiency through various measures. During the year under review, the following measures were taken to improve the operational efficiency:

- Increased kilns production by optimizing kiln operations & Raw mix.
- Debottlenecking of equipments to increase production capacity.
- Decreased equipment break downs and increased equipment availability.

Further the Company is constantly looking for improving its utilization of alternative fuel resources. This will not only improve the cost efficiency of our production but also contribute to the green environment by reducing the utilization of coal.

The below table sets forth the current installed cement capacity, utilization level and production of our Cement plant's production unit for the periods indicated.

| Particulars (in MT per annum except figures in %) | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Installed Cement Capacity | 11,60,000 | 11,60,000 |
| Cement Production | 8,51,516 | 8,42,547 |
| Utilization Level | 73% | 73% |

Captive Power Plant

| Power Generation / Consumption/ Export details Financial Year 2023-24 | | | | | | | | |
|---|---------|------------------|-----------------------|----------------|-------|------------------------|--|--------------|
| Power Plant | UOM | CPP | | | EB | Total Power Generation | Total consumption in cement plant (CPP+EB) | Total Export |
| | | Gross Generation | Auxiliary Consumption | Net Generation | | Net | Net | |
| Anjani Works | Lac KWh | 810.51 | 58.13 | 752.38 | 30.05 | 782.43 | 782.43 | - |

Some of the notable achievements in our Captive Power Plant are as follows:

- Best lowest heat rate achieved 3236 Kcal/kwhr @ 60.52% PLF against bench mark of 3349 kcal/kwh @ 62.28 PLF in FY 22-23.
- Best lowest auxiliary percentage achieved 7.17% @ 60.52% PLF against bench mark of 7.23% @ 62.28 PLF in FY 22-23.

Financial Performance:

| Particulars (₹ in Lakhs) | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Income | 45,975 | 42,259 |
| Total Expenditure | 47,826 | 44,270 |
| EBIDTA | 2,528 | 2,548 |
| Profit Before Tax | (1,851) | (2,011) |
| Profit After Tax | (1,171) | (1,892) |
| Basic & Diluted Earnings Per Share of ₹10 each (₹Per Share) | (3.99) | (7.27) |

Please refer the section Financial Performance of the Directors' Report for detailed information.

Key Financial Ratios:

| Sr. No | Particulars | FY 2023-24 | FY 2022-23 | Change % | Reason for increase/decrease (more than 25%) |
|--------|---|------------|------------|----------|--|
| 1 | Trade payable turnover ratio (in times) | 7.38 | 8.72 | (15) | Improvement in ratio due to regular payment to creditors and also due to lower payables mainly on account of reduction in coal prices. |
| 2 | Net capital turnover ratio (in times) | (6.46) | (6.38) | 1 | Due to increase in revenue and decrease in working capital. |
| 3 | Debt Equity Ratio (in times) | 0.88 | 0.89 | (1) | Due to lower borrowing. |
| 4 | Current Ratio (in times) | 0.51 | 0.52 | (2) | Increase in current liability due to higher payables. |
| 5 | Return on equity ratio (in %) | (0.03) | (0.05) | (41) | Due to decrease in loss. |

| | | | | | |
|----|--|--------|--------|-------|---|
| 6 | Net Profit Margin (in %) | (0.03) | (0.04) | (43) | Decrease in Loss due to improvement in sales realization and deferred tax gain. |
| 7 | Debt service coverage ratio (in times) | 1.18 | 0.24 | (384) | ICD repaid in previous year and in current year no repayment of Debt. |
| 8 | Return on capital employed (in%) | 0.01 | 0.01 | (114) | Due to increase in earnings. |
| 9 | Inventory Turnover Ratio | 15.59 | 12.73 | 7 | Due to increase in sales. |
| 10 | Interest Coverage Ratio | 0.32 | 0.29 | 9 | Due to lower interest and reduction in losses. |
| 11 | Operating Profit Margin (%) | (4.03) | (4.76) | (15) | Due to reduction in losses. |
| 12 | Debtors Turnover | 19.70 | 18.04 | 7 | Due to increase in revenue from operations. |

Details of any change in return on net worth as compared to the immediately previous financial year:

The return on net worth for the financial year 2023-24 has increased from (4.40) % to (2.90) % as total deferred tax income for the year increased by 471.43% over the same of immediately previous financial year.

Segment wise or product wise performance:

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

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

The performance is detailed as under:

(₹ in Lakhs)

| Particulars | Year ended March 31, 2024 | | | Year ended March 31, 2023 | | |
|---|---------------------------|---------|---------|---------------------------|---------|---------|
| | Cement | Power | Total | Cement | Power | Total |
| Segment Revenue | 45,942 | 5,568 | 51,510 | 41,729 | 6,404 | 48,133 |
| Less : Inter Segment Revenue | - | (5,568) | (5,568) | - | (5,915) | (5,915) |
| Total Revenue from Operations | 45,942 | - | 45,942 | 41,729 | 489 | 42,218 |
| Segment Result (Profit Before Tax and Interest) from each Segment | 858 | - | 858 | 667 | 163 | 830 |
| Less : Interest | - | - | (2,709) | - | - | (2,840) |
| Total Profit Before Tax | - | - | (1,851) | - | - | (2,011) |

| Capital Employed (Segment Assets - Segment Liabilities) | As on March 31, 2024 | | | As on March 31, 2023 | | |
|---|----------------------|-------|--------|----------------------|-------|--------|
| Segment Assets | 85,764 | 6,878 | 92,642 | 86,785 | 7,080 | 93,865 |
| Segment Liabilities | 51,346 | 182 | 51,528 | 51,455 | 105 | 51,560 |

BUSINESS REVIEW

Sustainable Development:

Sustainability is a core element of our business strategy, with a focus on conservation of environment, natural resources and energy efficiency. Its initiatives include reducing the clinker factor, lowering energy intensity, and incorporating waste from other industries into its cement manufacturing process. The Company's plant is ISO 14001 certified, validating its commitment to sustainability. Furthermore, through focused interventions across areas such as healthcare, education, employment, and sustainable livelihoods in areas around its operations, the Company positively impacts the lives of thousands of people.

a. Energy Conservation

Energy conservation is at the extreme focus of the Company and has seen numerous innovations and initiatives over the years ranging from shop-floor experiments to capex. This has yielded multiple benefits including reduction in carbon intensity and rationalization of production costs. More details on initiatives taken in the area of energy conservation are given in **Annexure 3** to this Annual Report.

b. Alternative Fuels and Raw Materials

Company is constantly working on to increase usage of alternative raw materials and fuels in its operations. Company uses wastes of various industries such as Pharma, Chemical, Sponge Iron, fertilizer, thermal power plant and others as alternative raw materials and alternative fuels. The pharmaceutical waste is used to substitute coal for thermal energy requirement in our Cement Plant. This solvent waste is available to us at zero landing cost to our manufacturing facility. Currently, we procure these solvents from pharmaceutical companies located in and around Hyderabad and Visakhapatnam. Pharmaceutical waste like spent carbon, spent organic liquid and spent organic solid can be substituted in place of coal, to reduce carbon-di-oxide emissions and also reduce cost of production. These measures have helped the Company to maintain its thermal substitution rate at 6.62% in FY 2023-24 which is at par with Industry Standards. The Company also uses alternative raw materials in place of laterite and Iron ore. Company's share of alternate raw material consumption in total raw material consumption stood at 38% in FY 2023-24.

c. Green Products

The Company has been producing blended cement in the category of Portland Pozzolana Cement (PPC) and Composite Cement (CC) conforming strictly to the specified BIS norms. Blended cement contributes to sustainable design by making concrete stronger and durable, reducing consumption of natural resources such as limestone, lowering greenhouse gas emissions, and contributes to a circular economy by utilizing wastes from power, iron and steel plants. Use of blended cement also has cost benefits for Company's customers. The share of blended cement in total cement production is 34% in FY 2023-24.

d. Environment, Occupational Health & Safety

The company views occupational health and safety (OHS) as an integral part of its operations. Employee safety is taken as the most important operating metric. By establishing strong internal controls and governance mechanisms, the Company has been able to continuously enhance the safety and well-being of its workforce. A strong governance mechanism is in place to ensure action plans are being implemented and that the risk mitigation efforts are on track.

Similar importance is given to protection of the environment. Some of the notable initiatives in this area are as follows:

- Line-1 & 2 coal storage shed side walls closed with sheeting to decrease fugitive emissions.
- AFR Storage shed side walls closed with sheeting to decrease air emissions.
- New shed constructed for Raw meal additives to decrease fugitive emissions.
- New shed constructed for Line-2 packing plant to decrease fugitive emissions.
- All conveyor discharge areas covered with sheeting to decrease fugitive emissions.

e. Water Conservation

The Company is mindful of the water scarcity in the country and is tirelessly working towards achieving 'water security'. Some of the notable initiatives in this area are as follows:

- Water harvesting in mined-out pits.
- Water harvesting initiatives in the nearby communities.

f. Quality control

The Company have an analytical laboratory for quality control at its manufacturing facility which is controlled by experienced team of professionals. Our laboratory is equipped with X-ray analyzer for monitoring of mineral composition of raw materials and the final product. Samples of the final products are also sent to independent quality analysts for inspection to enhance and standardize quality norms.

g. Awards and Recognition

The company has already achieved ISO Certification ISO 9001:2015 for Quality Management System Standard, ISO 14001:2015 for Environmental Management System Standard, ISO 45001:2018 for Occupational Health and Safety Management System Standard. Further the Company has achieved following awards during the financial year 2023-24:

- Has received Best performance award felicitated by Bureau of Indian Standard, Hyderabad in January 2024 for product of OPC and PPC for Zero failures for the last four consecutive years.

RISK MANAGEMENT

The Company has well defined structure which enable and empower management to identify, assess and leverage business opportunities and manage risk exposure in the organization effectively. As per Risk Management framework and procedures, management treat various category of risks and take appropriate actions for its mitigation. Company has a process for communication, consultation, monitoring and periodical review of the risks to ensure effective prevention and mitigation plan. A Risk Management Committee has also been constituted to oversee the risk management process.

The key risks identified by the Company as are follows:

Raw material risk:

The cement industry depends primarily on limestone and other raw materials. Our competitiveness, costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials (such as limestone, gypsum, fly ash, granulated slang, iron ore and laterite) at acceptable prices. The price of raw materials can be uncertain due to various factors beyond our control, such as climatic and environmental conditions, commodity price fluctuations, market demand, spread of infectious diseases, such as the COVID-19 pandemic, production and transportation cost, natural catastrophes, and changes in government policies including duties and taxes and trade restrictions. In addition, competition in the industry may result in increase in prices of raw materials, which we may not be able to match, thereby affecting our procurement.

Competition risk:

The Indian cement industry is highly competitive and is dominated by a few large pan-India cement manufacturers. In southern region of India, our major competitors include well-known locally established cement manufacturers. Competition occurs principally based on price, quality and brand name. As a result, to remain competitive in our markets, we continuously strive to reduce our costs of production, ensure consistent quality of cement comparable to the best in industry and maintain a brand of our own in the market.

Risk of change in Government policies:

The cement manufacturing companies are heavily reliant on demand from the cement -consuming industries such as infrastructure, housing and commercial real estate. Infrastructure sector drives overall development of the economy and is a major focus of the Government of India. Any pullback by the government on its initiatives will result in recession in the cement industry.

Power and fuel cost risk:

The cement industry is highly energy intensive and therefore require continuous supply of power and fuel. The production cost has seen an adverse impact due to the increased cost of power & fuel and freight cost. Any rise in international coal prices will adversely impact the operating costs of the Company. The Company focused on reducing the cost of power and fuel by maximizing the usages of the domestic coal and various alternative fuels, reducing our dependence on international coal.

Logistics Risk:

The Company currently use road transportation for despatches. With the rise in diesel prices, the cost of road transportation has increased. The cost increase and huge dependence on road transportation is having an adverse impact on our operational costs. Initiatives to improve efficiency by increasing dispatches through bulk cement were some of the measures undertaken to achieve this.

Marketing Risk:

Due to increased demand for cement, intense competition is expected, which may adversely impact on the Company's market share, sales volume, and profitability. Our Sales and Marketing teams have gained a deep understanding and are very dynamic to customers' changing preferences and requirements, enabling us to maximise capacity utilisation through a better product mix and driving efficiency in the supply chain by reinvigorating the dealer network.

Information Technology Risk:

Our day to day operations depend on the information technology systems. All our operations function under an ERP system and we rely heavily on our information technology systems including for our manufacturing process which is significantly automated. We also use information technology systems for routine corporate activities such as processing of financial information, managing information pertaining to creditors/ debtors and engaging in normal business activities. We have a backup system in place which collects and maintain backup of the data every 24 hours to avoid any security breaches. Effective cyber security requires protecting both our hardware and software from misuse, interference, loss, unauthorized access, modification and disclosure and we as a concerned and proactive organization have taken all effective measures to design our control mechanism and ensure that we are cyber-secured.

Talent Management:

Human resources are most critical behind Raw Materials in deciding the Company's ability to deliver value to its various stakeholders. Attrition and the non-availability of the required talent resources can affect the overall performance of the Company. Our critical challenges include recruiting, training and retaining talent and ensuring the right people are in the right roles. We mitigate talent management risks by providing specialized training courses to enhance and reskill employees, thus creating a talent pipeline for future roles.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has also appointed M/s. M. Bhaskara Rao & Co., Chartered Accountants as Internal Auditors to conduct the Systems and Compliance Audit of the Company. The Internal Auditors are submitting reports to the Company on a Quarterly basis.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company holds its skilled and trained workforce in high esteem, recognizing them as indispensable for achieving organizational goal. During the year, the Company undertook a variety of training initiatives covering a wide spectrum of topics. These encompassed technical competencies crucial for operational excellence, programs aimed at fostering positive behavioral traits, workshops focusing on enhancing business acumen, as well as both general and advanced management principles. The main focus of all the training programmes were to upskill talent at all levels to provide them a ground for personal growth within the company. This would not only result in retention of talent but also optimizing of available resources.

Customer-centric training was prioritized to uphold service standards, while safety protocols were reinforced to ensure a secure work environment. The Company emphasized the importance of values and ethical conduct, instilling a sense of integrity and responsibility across all levels of the workforce. The Industrial relations during the year under review has been cordial and contributed to mutual development of the organization and employees. The Company employed 238 people as of 31st March, 2024.

CAUTIONARY STATEMENT

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

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

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

CORPORATE GOVERNANCE REPORT

The Company's philosophy on Corporate Governance is to achieve a set of systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders. Pursuant to Schedule V read with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), compliance with the requirements of Corporate Governance is set out below:

1. A brief statement on company's philosophy on code of governance:

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

2. Board of Directors:

Composition of the Board:

During the financial year ended March 31, 2024, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read together with Section 149 and 152 of the Companies Act, 2013 ("the Act") and rules framed thereunder. As on March 31, 2024, the Board consist of 6 (six) members of whom 1 (one) is an Executive Director, i.e. Managing Director and 5 (five) members are Non-Executive Directors including 2 Women Directors. Amongst 5 (five) Non-Executive Directors, 2 (two) are Independent Directors including 1 (one) Woman Independent Director.

The details of composition and category of directors and details of number of outside directorships and committee positions held by each of the Directors in other public companies are given below:

| Name of the Directors | Category [Executive/ Non-Executive/ Independent] | Directorship in Companies@ (including Anjani Cement) | | Committee Chairmanship/ Membership in listed and unlisted Companies# (including Anjani Cement) | |
|---------------------------|---|---|---------------|---|--------|
| | | Listed Company | Other Company | Chairperson | Member |
| Mrs.V. Valliammai | Independent | 1 | 1 | 2 | 3 |
| Mr. N. Venkat Raju | Executive | 1 | 1 | - | 3 |
| Mr. RM Palaniappan* | Independent | 1 | - | - | 1 |
| Dr. (Mrs) S.B. Nirmalatha | Non-Executive | 1 | - | - | - |
| Mr. Gopal Perumal** | Non-Executive | 1 | - | - | 1 |
| Mr. Palani Ramkumar*** | Non-Executive | 1 | 1 | - | - |

@ Excluding private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013.

Represents Chairpersonship / Membership of the Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies – listed and unlisted (other than private companies, foreign companies, high value debt listed entities and companies registered under Section 8 of the Companies Act, 2013).

* Retired with effect from May 15, 2024 and in his place Mr. Umesh Prasad Patnaik was appointed w.e.f May 15, 2024

**Appointed as Director with effect from June 23, 2023

***Appointed as Director with effect from August 11, 2023

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with rules framed thereunder and none of the Directors of the Company are related to each other. In accordance with Regulation 26 of the SEBI Listing Regulation, none of the Directors on the Board of the Company is a Director in more than seven listed companies and/or is a member of more than ten committees and/or act as a chairman/chairperson of more than five committees across all the listed and unlisted companies in which he / she is a Director (the committees being, Audit Committee and Stakeholder's Relationship Committee). Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by all the Directors. Further, no Independent Director serves in more than 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 three listed companies.

During the financial year, information as mentioned in Regulations 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, is made available to the Board of Directors, for discussion and consideration at Board Meetings.

Non-Executive Directors are not entitled for any remuneration other than the sitting fee. None of the Directors hold any shares in the Company. The Company has not issued any convertible instruments.

Meetings of Board and attendance during the year:

During the financial year, 8 (eight) Board meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: May 26, 2023, June 23, 2023, August 11, 2023, September 25, 2023, November 10, 2023, December 29, 2023, January 8, 2024 (Adjourned Board Meeting held on January 9, 2024) and February 12, 2024. The necessary quorum was present for all the meetings.

The following table gives the attendance record of all Directors at the aforesaid Board Meetings and at the last Annual General Meeting which was held on September 22, 2023.

| Name of Director | No. of Board Meeting (During tenure of respective Directors) | | Attended Last AGM |
|---------------------------|---|----------|----------------------|
| | Held | Attended | |
| Mrs.V. Valliammai | 8 | 8 | Yes |
| Mr. N. Venkat Raju | 8 | 8 | Yes |
| Mr. A. Subramanian* | 3 | 3 | Yes |
| Mr. RM Palaniappan | 8 | 6 | No |
| Mr. V. Palaniappan** | 1 | 1 | NA |
| Dr. (Mrs) S.B. Nirmalatha | 8 | 7 | Yes |
| Mr. Gopal Perumal ^ | 6 | 6 | Yes |
| Mr. Palani Ramkumar ^ ^ | 5 | 5 | No |

* Retired with effect from September 22, 2023

** Resigned with effect from June 1, 2023

^ Appointed as Director of the Company with effect from June 23, 2023

^ ^ Appointed as Director of the Company with effect from August 11, 2023

Familiarization Programme for Independent Directors:

The Company has conducted familiarization programmes during the year for Independent Directors to assist them in performing their role as Independent Directors. Details of the programme is available in the investor section on the Company's website at www.anjanacement.com.

The Independent Directors have confirmed in accordance with Regulation 25(8) of the SEBI Listing Regulations that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act and rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Independent Directors have confirmed that they have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the disclosures received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and they are independent from the management. During the financial year, there were no resignations of any Independent Directors.

During the year, a separate meeting of the Independent Directors was held on January 8, 2024, which was attended by both the independent Directors. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson after considering the views of the Executive and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

The Board periodically reviews the compliance reports of all statutes applicable to the Company.

The Board requires skills/expertise/competencies in the areas of strategy, finance, accounting, legal, marketing and regulatory matters, to efficiently carry on its core businesses. Apart from the above-mentioned skills some of the Directors on the Board are professionally qualified with core competence and rich experience of dealing with the intricacies of the Cement Industry. Thus the Company confirms that the skills/expertise/competencies as required for efficient running of the operations of the Company are available with the Board. Detail of the same are given below:

| Name of Directors | Area of Expertise |
|----------------------------|---|
| Mrs. V. Valliammai | Taxation & Auditing, Corporate Restructuring |
| Mr. N. Venkat Raju | Operations, Process, Quality Assurance & Administration |
| Mr. RM Palaniappan* | Management & Administration |
| Dr. (Mrs.) S.B. Nirmalatha | Legal |
| Mr. Gopal Perumal | Management & Administration |
| Mr. Palani Ramkumar | Procurement and Logistics |
| Mr. Umesh Prasad Patnaik** | Taxation & Auditing, Corporate Restructuring |

* Retired with effect from May 15, 2024

** Appointed as an Additional Director in the category of Non-Executive, Independent Director with effect from May 15, 2024

3. Committees of the Board:

The Board of Directors perform their advisory and oversight function through well-structured, planned, and assigned committees to take advantage of the expertise of all the Directors. In terms of the SEBI Listing Regulations and the relevant provisions of the Act and with a view to have better transparency in various areas of the business, to divide the work of the Board into manageable sections and for better accountability, the Board has constituted 5 (five) committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. These Committees undertake the functions, roles and responsibilities as per terms of reference approved by the Board of Directors and provided in this report.

a) Audit Committee:

The Audit Committee of the Board of Directors of the Company is constituted in line with the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations. The Audit Committee as on March 31, 2024 comprises three Directors out of which, two (2) are Independent Directors and one (1) is Executive Director. The Audit Committee of the Board of Directors comprises qualified and independent members who are financially literate and have requisite accounting and financial management expertise. Mr. Subhanarayan Muduli, the Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The terms of reference of the audit committee is as per Part C of the Schedule II of the SEBI Listing Regulations and include:

- Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are true and fair, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, 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 utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, 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;

- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion 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;
- To 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;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Meetings of the Audit Committee and attendance during the year:

During the Financial Year ended on March 31, 2024, 8 (eight) Meetings of the Audited Committee were held. These were held on: May 11, 2023, May 26, 2023, August 11, 2023, September 25, 2023, November 10, 2023, December 29, 2023, January 8, 2024 and February 12, 2024. The quorum for the Audit Committee Meetings is either two members or one third of the members of the Committee, whichever is higher, with two independent members being present. Quorum was present for all the meetings held during the year.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of attendance of meetings held during the financial year 2023-24 is detailed below:

| Name of the Member | Category | Designation | Number of meetings held during the Financial Year 2023-24 | |
|---------------------|------------------------------|-------------|---|----------|
| | | | Held | Attended |
| Mrs. V. Valliammai | Independent, Non-Executive | Chairperson | 8 | 8 |
| Mr. N. Venkat Raju | Executive, Managing Director | Member | 8 | 6 |
| Mr. RM Palaniappan* | Independent, Non-Executive | Member | 8 | 8 |

* Retired with effect from May 15, 2024

The Audit Committee meetings are also attended by the Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors of the Company. The Board has accepted all recommendations made by the Audit Committee during the year.

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Board is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee as on March 31, 2024 comprises three Directors out of which, 2 (two) are Independent Directors and 1 (one) is Non-Executive Director. The

Chairman of the Committee is an Independent Director. Mr. Subhanarayan Muduli, the Company Secretary and Compliance Officer acts as the Secretary to the Committee.

Terms of Reference of the Nomination and Remuneration Committee is as per Part D of the Schedule II of the SEBI Listing Regulations and include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and senior employees as per Nomination and Remuneration Policy;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

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

During the Financial Year ended on March 31, 2024, 3 (three) meetings of Nomination and Remuneration Committee of the Board of Directors were held. These were held on June 23, 2023, August 11, 2023 and September 25, 2023. The quorum for the Committee Meetings is either two members or one third of the members of the Committee, whichever is greater, including at least one independent director in attendance. Quorum was present for all the meetings held during the year. The composition of the Committee along with the details of attendance of meetings held during the financial year 2023-24 is detailed below:

| Name of the Member | Category | Designation | Number of meetings held during the Financial Year 2023-24 | |
|----------------------------|--------------------------------|-------------|---|----------|
| | | | Held | Attended |
| Mr. RM Palaniappan* | Independent, Non-Executive | Chairman | 3 | 3 |
| Dr. (Mrs.) S.B. Nirmalatha | Non-Independent, Non-Executive | Member | 3 | 3 |
| Mrs. V. Valliammai | Independent, Non-Executive | Member | 3 | 3 |

* Retired with effect from May 15, 2024

The Nomination and Remuneration Policy for Directors, KMP and other employees, in accordance with the provisions of the Act and SEBI Listing Regulations is available on the Company's website at http://anjaniment.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf

Performance evaluation criteria for Independent Directors:

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

c) Stakeholders' Relationship Committee:

The stakeholders' relationship committee of the Board of Directors is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations read with Part D of Schedule II of the SEBI Listing Regulations. The Committee as on March 31, 2024 comprises 3 (three) Directors out of which, 1 (one) is Independent Director and 2 (two) are Non-Executive Directors. The Chairperson of the Committee is an Independent Director. Mr. Subhanarayan Muduli, the Company Secretary and Compliance Officer acts as the Secretary to the Committee. The Committee considers and oversees, inter alia, resolution of grievances of security holders and investors of the Company.

The role of the Stakeholders Relationship Committee is as per Part D of the Schedule II of the SEBI Listing Regulations and include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 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.

The details of investors' complaints / grievances received and resolved during the Financial Year 2023-24 is as under:

| Opening Balance | Received during the year 2023-24 | Resolved during the Year 2023-24 | Closing Balance |
|-----------------|----------------------------------|----------------------------------|-----------------|
| Nil | 1 | 1 | Nil |

Meetings of Stakeholders' Relationship Committee and attendance during the year:

The Stakeholders' Relationship Committee met 1 (one) time during the financial year on October 17, 2023. The composition of the Committee along with the details of attendance of meeting held during the financial year 2023-24 is detailed below:

| Name of the Member | Category | Designation | Number of meetings held during the Financial Year 2023-24 | |
|---------------------|--------------------------------|-------------|---|----------|
| | | | Held | Attended |
| Mrs. V. Valliammai | Independent, Non-Executive | Chairperson | 1 | 1 |
| Mr. N. Venkat Raju | Non-Independent, Executive | Member | 1 | 1 |
| Mr. V. Palaniappan* | Non-Independent, Non-Executive | Member | - | - |
| Mr. Gopal Perumal** | Non-Independent, Non-Executive | Member | 1 | 1 |

*Resigned with effect from June 1, 2023

** Member with effect from June 23, 2023

d) Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility Committee. The Composition and terms of reference of the committee are in conformity with the said provisions. The Committee as on March 31, 2024 comprises 3 (three) Directors out of which, 1 (one) is an Independent Director, 1 (one) is a Non-Executive Director and 1 (one) Executive Director i.e. Managing Director. Mr. Subhanarayan Muduli, the Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The Corporate Social Responsibility Committee shall inter-alia discharge the following responsibilities:

- Formulate and recommended to the Board of Directors, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a).
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

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

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

The Corporate Social Responsibility Committee met 1(one) time during the financial year on February 12, 2024.

The composition of the Committee along with the details of attendance of meeting held during the financial year 2023-24 is detailed below:

| Name of the Member | Category | Designation | Number of meetings held during the Financial Year 2023-24 | |
|--------------------------|--------------------------------|-------------|---|----------|
| | | | Held | Attended |
| Mr. N. Venkat Raju | Executive, Managing Director | Chairman | 1 | - |
| Dr (Mrs) S.B. Nirmalatha | Non-Independent, Non-Executive | Member | 1 | 1 |
| Mrs.V. Valliammai | Independent, Non-Executive | Member | 1 | 1 |

e) Risk Management Committee:

The Risk Management Committee of the Board of Directors of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. The Committee as on March 31, 2024 comprises 3 (three) Directors out of which, 1 (one) is an Independent Director, 1 (one) is a Non-Executive Director and 1 (one) Executive Director i.e. Managing Director. Mr. Subhanarayan Muduli, the Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The terms of reference of the Risk Management Committee include:

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

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

Meetings of Risk Management Committee and attendance during the year:

The Risk Management Committee met 2 (two) times during the financial year on May 26, 2023 and November 10, 2023.

The composition of Risk Management Committee of the Board of Directors of the Company along with the details of attendance of meeting held during the financial year 2023-24 is detailed below:

| Name of the Member | Category | Designation | Number of meetings held during the Financial Year 2023-24 | |
|---------------------|--------------------------------|-------------|---|----------|
| | | | Held | Attended |
| Mrs.V. Valliammai | Independent, Non-Executive | Chairperson | 2 | 2 |
| Mr. N. Venkat Raju | Executive, Managing Director | Member | 2 | - |
| Mr. V. Palaniappan* | Non-Independent, Non-Executive | Member | 2 | 1 |
| Mr. Gopal Perumal** | Non-Independent, Non-Executive | Member | 2 | 1 |

*Resigned with effect from June 1, 2023

** Member with effect from June 23, 2023

The Company has a Risk Management Policy and the same is available on the Company's website at: <https://www.anjanicement.com/investor/policies/RISK%20MANAGEMENT%20POLICY-ANJANI.pdf>

f) Particulars of senior management including the changes therein since the close of the previous financial year:

- i. The details of Senior Management as on March 31, 2024 pursuant to SEBI Listing Regulations:

| Sl. No | Name | Designation |
|--------|-------------------------|--|
| 1 | Mr. Rajesh Kumar Dhoot | Chief Financial Officer |
| 2 | Mr. Subhanarayan Muduli | Company Secretary and Compliance Officer |
| 3 | Mr. A. Narayana Rao | Senior Vice President (Marketing) |

- ii. Changes in Senior Management since the close of the previous financial year:

During the financial year, Mr. Sita Ramanjaneyulu Rayapudi, Chief Financial Officer of the Company resigned with effect from September 26, 2023 and his place, the Board of Directors on recommendation of the Nomination and Remuneration Committee has appointed Mr. Rajesh Kuamr Dhoot as Chief Financial Officer with effect from October 1, 2023.

4. Remuneration of Directors:

The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company. The Company pays

remuneration to its Managing Director, by way of salary amounting to ₹11,070,125 (being fixed component under the group salary). Salary is paid within the range as approved by the shareholders. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members.

The Nomination and Remuneration policy of the Company is available on https://www.anjanicement.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf

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

5. General Body Meetings:

(a) Details of the Annual General Meetings held in the last three years are as under:

| AGM | Location | Date | Time |
|----------------------|--|--------------------|------------|
| 39 th AGM | Meeting conducted through Video Conference (VC) / Other Audio Visual Means (OVAM) pursuant to the MCA Circular | September 22, 2023 | 11:30 a.m. |
| 38 th AGM | Meeting conducted through Video Conference (VC) / Other Audio Visual Means (OVAM) pursuant to the MCA Circular | September 16, 2022 | 10:00 a.m. |
| 37 th AGM | Meeting conducted through Video Conference (VC) / Other Audio Visual Means (OVAM) pursuant to the MCA Circular | September 15, 2021 | 10:30 a.m. |

(b) Following are the details of Special Resolutions passed in the above said Annual General Meetings:

| | |
|--|---|
| Special Resolution passed at the 39 th AGM held on September 22, 2023 | <ul style="list-style-type: none"> Approval for the payment of remuneration to Managing Director in case of absence or inadequacy of profits. |
| Special Resolution passed at the 38 th AGM held on September 16, 2022 | <ul style="list-style-type: none"> Re-appointment of Mrs. V. Valliammai as Independent Director of the Company for a second term of five consecutive years |
| Special Resolution passed at the 37 th AGM held on September 15, 2021 | <ul style="list-style-type: none"> No Special Resolution was proposed and passed at the 37th AGM |

No extraordinary general meeting of the members was held during financial year 2023-24.

(c) Resolutions passed through Postal Ballot:

During the financial year, the Company has not passed any resolution through Postal Ballot.

(d) Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM require passing of a special resolution through postal ballot.

(e) Procedure for Postal Ballot – when conducted:

The postal ballot when conducted is in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote through e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013 in connection with the above.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutiniser submits their report to the Chairperson and the results of voting by postal ballot are announced within two working days of conclusion of the e-voting period. The results are displayed on the website of the Company www.anjanicement.com and communicated to the Stock Exchanges and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for exercising e-voting.

6. Means of Communication:

(a) Quarterly Results:

As part of compliance with Regulation 10, 33 and 47 of the SEBI Listing Regulations, the Company furnishes its quarterly, half-yearly and annual financial results to the Stock Exchanges where its shares have been listed, followed by publication in the newspapers in accordance with the said Regulations.

(b) Newspapers in which the results were published:

Details of newspapers in which quarterly results relating to the Financial Year 2023-24 were published are given below:

| Quarter ended | Date of publication | Name of the newspapers carrying the publication |
|----------------------|---------------------|---|
| 30th June, 2023 | 12th August, 2023 | Business Standard and Nava Telangana Telugu |
| 30th September, 2023 | 11th November, 2023 | |
| 31st December, 2023 | 13th February, 2024 | |
| 31st March, 2024 | 28th May, 2024 | |

(c) **Website where displayed:**

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

The Financial Results and the Shareholding pattern and all other relevant information of the Company are made available on the Company's website www.anjanacement.com and also on the website of NSE and BSE as part of corporate filing made by the Company from time to time with the said stock exchanges. The Company also informs the Stock Exchange in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

7. General Shareholder Information:

(a) **Annual General Meeting:**

The 40th Annual General Meeting ("the AGM") of the Company will be held on Friday, August 9, 2024, at 12:30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

(b) **Financial Year:** April 1, 2023 to March 31, 2024.

(c) **Dates of Book Closure:**

The Register of Members and share transfer will remain closed from Saturday, August 3, 2024 to Friday, August 9, 2024 (both days inclusive).

(d) **Dividend Payment:**

The Board of Directors of the Company has not recommended dividend for the Financial Year 2023-24.

(e) **Listing on Stock Exchange:**

The Equity Shares of the Company are listed on the following Stock Exchanges:

| Name of the Stock Exchange | Stock Code |
|--|-----------------------|
| BSE Limited (BSE) | 518091 |
| Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001 | |
| National Stock Exchange of India Limited (NSE) | APCL |
| Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051 | |
| ISIN | INE071F01012 |
| CIN | L26942TG1983PLC157712 |

Payment of Listing Fees: Annual Listing fees for the Financial Year 2024-25 has been paid to both the exchanges within the stipulated time.

Payment of Depository Fees: Annual Custody/Issuer fees for the financial year 2024-25 has been paid by the Company to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

(f) **Market Price Data:**

The monthly high and low prices of the Company's share at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial year ended March 31, 2024 are given below:

| Month | BSE | | NSE | |
|-----------------|----------|---------|----------|---------|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| April, 2023 | 190.00 | 143.55 | 182.50 | 144.00 |
| May, 2023 | 190.00 | 160.00 | 189.00 | 158.60 |
| June, 2023 | 199.05 | 162.05 | 199.75 | 162.85 |
| July, 2023 | 209.70 | 175.95 | 201.40 | 175.10 |
| August, 2023 | 207.95 | 182.55 | 207.00 | 182.65 |
| September, 2023 | 203.75 | 175.85 | 201.90 | 175.10 |
| October, 2023 | 223.80 | 180.00 | 221.90 | 179.75 |
| November, 2023 | 231.00 | 188.00 | 231.95 | 190.00 |
| December, 2023 | 230.25 | 188.50 | 230.90 | 188.55 |

| Month | BSE | | NSE | |
|----------------|----------|---------|----------|---------|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| January, 2024 | 223.55 | 204.15 | 224.35 | 205.10 |
| February, 2024 | 230.10 | 204.60 | 231.95 | 202.20 |
| March, 2024 | 214.85 | 155.00 | 216.00 | 165.15 |

(g) Performance of Company's share in comparison to broad-based indices:

The comparison of the Company's monthly share price movement vis-à-vis the movement of the S&P BSE Sensex and NSE Nifty 50 for the financial year ended March 31, 2024 (based on the month end closing) are given below:

| Month | Company's closing price at BSE | S&P BSE Sensex | Company's closing price at NSE | Nifty 50 |
|-----------------|--------------------------------|----------------|--------------------------------|----------|
| April, 2023 | 179.05 | 61112.44 | 179.90 | 18065.00 |
| May, 2023 | 162.20 | 62622.24 | 162.70 | 18534.40 |
| June, 2023 | 185.80 | 64718.56 | 186.70 | 19189.05 |
| July, 2023 | 191.10 | 66527.67 | 191.20 | 19753.80 |
| August, 2023 | 187.30 | 64831.41 | 187.75 | 19253.80 |
| September, 2023 | 189.95 | 65828.41 | 190.35 | 19638.30 |
| October, 2023 | 192.90 | 63874.93 | 193.05 | 19079.60 |
| November, 2023 | 223.40 | 66988.44 | 223.15 | 20133.15 |
| December, 2023 | 212.55 | 72240.26 | 212.50 | 21731.40 |
| January, 2024 | 217.75 | 71752.11 | 217.20 | 21725.70 |
| February, 2024 | 207.75 | 72500.30 | 206.95 | 21982.80 |
| March, 2024 | 168.70 | 73651.35 | 166.95 | 22326.90 |

(h) In case the securities are suspended from trading, the directors report shall explain the reason thereof:

There was no instance of suspension of trading in Company's shares during the Financial Year 2023-24.

(i) Registrar and Share Transfer Agent:

The details of Registrar and Share Transfer Agent are as follows: -

KFin Technologies Limited
Selenium Building, Tower B, Plot No.31 & 32,
Financial District, Nanakramguda, Gachibowli,
Hyderabad-500032, Telangana
E-mail: einward.ris@kfintech.com
Website: <https://www.kfintech.com>

(j) Share Transfer System:

With effect from April 1, 2019, SEBI has barred physical transfer of shares of listed companies and mandated transfer only in demat mode. As on March 31, 2024, over 98% of the Company's shares are now held in electronic form. The Company's shares are compulsorily traded in dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders can hold the Company's shares with any of the depository participants, registered with the depositories. The ISIN of the Company is: "INE071F01012".

In terms of the amended Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition shall be effected only in dematerialized form. Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialized form. Transfer of equity shares in electronic form are effected through the depository system with no involvement of the Company.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

The Company on a yearly basis filed with the Stock Exchanges:

- a compliance certificate duly signed by both the Compliance Officer of the Company and the authorised representative of the Share Transfer Agent certifying that all activities in relation to share transfer facility is maintained by KFIN Technologies Limited, Registrar and Share Transfer Agent registered with SEBI.
- a certificate of compliance from a Company Secretary in practice confirming issue of share certificates within a period of 30 days of lodgement of the investor service request as prescribed under Regulation 40(9) of the SEBI Listing Regulations.

(k) Shareholding as on March 31, 2024:

(i) Distribution of equity shareholding:

| Category (No. of shares) | No. of Shareholders | | No. of Shares | | % to Total Equity | |
|-----------------------------|---------------------|--------|--------------------|-------------|-------------------|-------|
| | Physical | Demat | Physical | Demat | Physical | Demat |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| 1 - 5000 | 1,514 | 15,086 | 2,28,479 | 12,96,055 | 0.78 | 4.41 |
| 5001 - 10000 | 34 | 698 | 28,050 | 5,42,585 | 0.10 | 1.85 |
| 10001 - 20000 | 10 | 343 | 14,850 | 5,13,212 | 0.05 | 1.75 |
| 20001 - 30000 | 6 | 112 | 15,600 | 2,79,521 | 0.05 | 0.95 |
| 30001 - 40000 | 2 | 69 | 6,700 | 2,49,432 | 0.02 | 0.85 |
| 40001 - 50000 | 0 | 55 | 0 | 2,56,467 | 0.00 | 0.87 |
| 50001 - 100000 | 1 | 55 | 5,800 | 4,04,224 | 0.02 | 1.38 |
| 100001 & above | 3 | 60 | 59,710 | 2,54,74,079 | 0.20 | 86.72 |
| Total | 1,570 | 16,478 | 3,59,189 | 2,90,15,575 | 1.22 | 98.78 |
| Grand Total (A+B) | 18,048 | | 2,93,74,764 | | 100.00 | |

(ii) Categories of equity shareholding:

| Category | Number of shares held | As a percentage of total number of shares |
|-------------------------------------|-----------------------|---|
| Promoter | 2,20,31,071 | 75.00 |
| Resident Individuals | 55,56,144 | 18.91 |
| Bodies Corporate | 9,27,392 | 3.16 |
| IEPF | 5,36,403 | 1.83 |
| HUF | 2,03,642 | 0.69 |
| Mutual Fund | 27,800 | 0.09 |
| Non Resident Indians | 52,960 | 0.18 |
| Banks | 5,200 | 0.02 |
| Non Resident Indian Non Repatriable | 26,934 | 0.09 |
| Foreign Portfolio Investors | 7,218 | 0.02 |
| Total | 2,93,74,764 | 100 |

(l) Dematerialization of shares and liquidity:

Trading in Company's shares is permitted only in dematerialized form for all investors. The Company has subsisting agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its shareholders. The ISIN number for the Company's shares is - "INE071F01012". Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Shares representing more than 98% of the Company's shares were kept in dematerialized form as on March 31, 2024 as detailed below:

| In Physical Form | In Demat Form | | | | Total | | |
|------------------|---------------|-------------|-----------|-----------|-------|-------------|-----|
| | With NSDL | | With CDSL | | | | |
| Shares | % | Shares | % | Shares | % | Shares | % |
| 3,59,189 | 1.22 | 2,57,04,766 | 87.51 | 33,10,809 | 11.27 | 2,93,74,764 | 100 |

The entire equity shareholding of the Promoters of the Company is held in dematerialized form. As required by the SEBI Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditor's Certificate in regard to the same is submitted on quarterly basis to BSE and NSE and is also placed before the Board of Directors of the Company.

(m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and like impact on Equity:

The Company has not issued any GDRs/ADRs/Warrants/Convertible Instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments.

(n) Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

Not Applicable

(o) Plant Location:

Chintalapalem Village & Mandal, Suryapet District – 508246, Telangana, India.

(p) Address for Correspondence:

The Company Secretary

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

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

KFin Technologies Limited
Selenium Building, Tower B, Plot No.31 & 32
Financial District, Nanakramguda, Gachibowli
Hyderabad-500032
E-mail: einward.ris@kfintech.com
Website: <https://www.kfintech.com>

(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year, for all debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad: – Not Applicable**7. Other Disclosures:****(a) Disclosure regarding materially significant related party transactions that may have potential conflict with the interest of listed entity at large:**

All related party transactions that were entered into during FY 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. There were no materially significant related party transactions entered by the Company that have potential conflict with the interests of the Company at large. Details of related party transactions is provided in the accompanied financial statements. The policy for related party transactions can be accessed at the Company website at <https://anjanicement.com/policies.html>

(b) Details of non-compliances with regards to capital market during the last three years by the Company:

There has been no instance of non-compliances on any matter related to capital market during the last three financial years for which stock exchanges or SEBI or any statutory authority has levied any penalty and/ or imposed any stricture on the Company.

(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. The Company has adopted a 'Vigil Mechanism' and 'Whistle Blower Policy'. The said policy can be accessed at <https://www.anjanicement.com/investor/corporategovernance/VigilMechanism.pdf>

No personnel has been/will be denied access to the audit committee.

(d) Compliance with Mandatory Requirements and Adoption of Non-Mandatory requirements:

The Company has complied with all mandatory requirements of the SEBI Listing Regulations for the FY 2023-24 and details of discretionary requirements under Part E of Schedule II of the SEBI Listing Regulations to the extent they have been adopted are mentioned below:

- The Company has moved towards a regime of financial statements with unmodified audit opinion.
- The Internal Auditors is free to report directly to the Audit committee.

(e) Policy for determining Material Subsidiary:

The Policy on Material Subsidiary is available on the website of the Company and can be accessed at <http://anjanicement.com/investor/policies/Material-Subsidiaries-Policy.pdf>

(f) Policy on dealing with related party transactions:

Related party transaction policy is available on the website of the Company and can be accessed at <http://www.anjanicement.com/investor/corporategovernance/Related%20Party%20Transaction%20%20Policy.pdf>

(g) **Disclosure of commodity price risks and commodity hedging activities:**

Not Applicable

(h) **Utilization of funds raised through preferential allotment or qualified institutions placement:**

During the financial year, no funds were raised by the Company through preferential allotment or qualified institutions placement.

(i) **Certificate confirming non-debarment and non-disqualified of Directors:**

M/s. D. Hanumanata Raju & Co, Practising Company Secretaries, have issued a certificate certifying that none of the directors serving on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate has been appended as **Annexure 9** to this Annual Report.

(j) During the year, all of the Committee recommendations placed before the Board of Directors were accepted.

(k) **Details of Consolidated Fees paid/payable to Statutory Auditors:**

M/s Ramanatham & Rao, Chartered Accountants (Firm Registration No. S-2934) have been appointed as the Statutory Auditors of the Company. As required under Regulation 34 read with Part C of the Schedule V of the SEBI Listing Regulations, the total fees paid/payable for all the services availed by the Company and its subsidiary during the financial year 2023-24, on a consolidated basis, to the Statutory Auditors of the Company are given below:

(₹ in lakhs)

| Type of Services/Fees | By the Company | By the Subsidiary | Total Amount |
|-----------------------|----------------|-------------------|--------------|
| Statutory Audit Fees | 5.00 | 5.00 | 10.00 |
| Other services | 6.00 | 3.64 | 9.64 |
| Total | 11.00 | 8.64 | 19.64 |

(l) **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

During the financial year, the Company did not receive any complaint of sexual harassment.

| | |
|---|-----|
| Number of Complaints filed during the Financial Year | Nil |
| Number of Complaints disposed during the Financial Year | Nil |
| Number of Complaints pending at the end of the Financial Year | Nil |

(m) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

Neither the Company nor its Subsidiary have given any loans or advances to any firm / company in which their respective Directors are interested.

(n) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

| Details of the Material Subsidiary | |
|--|---|
| Name of Material Subsidiary | Bhavya Cements Private Limited |
| Date of Incorporation | April 16, 2007 |
| Place of Incorporation | Andhra Pradesh |
| Name of the Statutory Auditor | M/s Ramanatham & Rao, Chartered Accountants |
| Date of appointment of Statutory Auditor | September 28, 2022 |

8. The Company has duly complied with the requirements of the Corporate Governance Report of Sub-paras 2 to 10 of Part (C) of Schedule V of the SEBI Listing Regulations.

9. **Disclosure of adoption of discretionary requirements as specified in Part E of Schedule II to the extent applicable: This is provided below:**

- The Company has moved towards a regime of financial statements with unmodified audit opinion.
- The Company has appointed separate persons to the posts of Chairperson and Managing Director.
- The Internal Auditors of the Company are directly reporting to the Audit Committee.

10. **Compliance with Corporate Governance requirements:**

The Company has complied with all the mandatory requirements set forth in of Regulations 17 to 27, as well as Schedule V and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable.

11. Certificate on Corporate Governance:

M/s. D. Hanumanata Raju & Co, Practising Company Secretaries, have issued a compliance certificate in accordance with Schedule V of the Listing Regulations, attesting to the Company's adherence to the Corporate Governance conditions. The said certificate has been appended as **Annexure 8** to this Annual Report.

12. The Minutes of the Meeting of the Board of Directors of the unlisted material subsidiaries are being placed before the Board of Directors of the Company.

13. As per requirement of Regulation 25(10) of SEBI Listing Regulations, the Company has taken Directors and Officers Liability Insurance ("D and O insurance") for all its Directors and members of the Senior Management.

14. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

In terms of Sections 124 and 125 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not paid or claimed for a period of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year, the Company had sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid transfer of shares/ dividends to the IEPF. Information about the transferred dividends and shares is available on the Company's website at https://anjanicement.com/statement_unclaimed_dividend.html

The details of the unclaimed dividends and corresponding shares transferred to IEPF during the financial year 2023-24 are as follows:

| Particulars | Amount of unclaimed dividend (in ₹) | No. of shares |
|--------------------------------|-------------------------------------|-----------------|
| Interim Dividend for FY2016-17 | 7,18,613 | 1,20,620 |
| Total | 7,18,613 | 1,20,620 |

As on 31st March, 2024, the Company has transferred to IEPF an amount of ₹46,13,833 after deduction of applicable tax as corporate benefits (dividend) arising on shares already transferred to IEPF.

Total number of shares outstanding in the demat account of the IEPF Authority as on 31st March, 2024 stood at 5,36,403 shares in comparison to 4,17,383 shares as on 31st March, 2023. Total number of shares released by IEPF Authority in favour of the shareholders during the financial year 2023-24 is 1,600 shares.

In the financial year 2024-25, the Company would be transferring unclaimed final dividend amount declared for the financial year 2016-17 on September 8, 2017, along with underlying shares on which dividends remained unclaimed for 7 (seven) consecutive years by October 12, 2024 to the IEPF. Shareholders who have not claimed their final dividend for financial year 2016-17 as aforesaid, can forward their claim to the Company's Registrar and Share Transfer Agent viz., KFIN Technologies Limited before September 10, 2024, to avoid the transfer of dividend and shares to the IEPF Authority and intimation in this regard have been given to shareholders by serving them individual notices and publishing newspaper advertisement dated June 21, 2024 in Business Standard (English, All India Edition) and Nava Telangana Telugu (Telugu, Hyderabad Edition).

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 help kit, which is available on IEPF website (www.iepf.gov.in) to the Company / Registrar and Transfer Agent (RTA).
2. After verification of the aforesaid documents submitted, Company will issue an entitlement letter.
3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to Company.
4. On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

Members are requested to note that no claims shall lie against the Company in respect of the dividend/ shares transferred to IEPF.

The following table provides information about outstanding dividend and their respective date of transfer to the IEPF.

| Financial Year | Date of Declaration | Dividend (%) | Due date of Transfer to IEPF |
|----------------|---------------------|--------------|------------------------------|
| 2016-17 | 08-09-2017 | 10 | 12-10-2024 |
| 2017-18 | 07-09-2018 | 20 | 11-10-2025 |
| 2018-19 | 28-08-2019 | 25 | 03-10-2026 |
| 2019-20 | 21-08-2020 | 50 | 26-09-2027 |
| 2020-21 | 15-09-2021 | 50 | 20-10-2028 |
| 2021-22 | 16-09-2022 | 30 | 21-10-2029 |

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

15. Disclosure of certain types of agreements binding listed entities:

Pursuant to Clause 5A of paragraph A of Para A of Schedule III of the SEBI Listing Regulations, there are no agreements impacting the management or control of the Company or imposing any restriction or creating any liability upon the Company.

DECLARATION ON CODE OF CONDUCT

To
The Shareholders
Anjani Portland Cement Limited

I, N. Venkat Raju, Managing Director of Anjani Portland Cement Limited, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) read with Schedule V(D) of the SEBI Listing Regulations for the year ended March 31, 2024.

N. Venkat Raju
Managing Director

Chennai, July 10, 2024



MD / CFO ANNUAL CERTIFICATE

To,
The Board of Directors
Anjani Portland Cement Limited

CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

In accordance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditor and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee: -
 - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2024;
 - b. that there are no significant changes in accounting policies during the financial year ended March 31, 2024 and that the same have been disclosed in the notes to the financial statements; and
 - c. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chennai, May 27, 2024

N. Venkat Raju
Managing Director

Rajesh Kumar Dhoot
Chief Financial Officer

CERTIFICATE

To,

The Members of

ANJANI PORTLAND CEMENT LIMITED

We have examined the compliance of conditions of Corporate Governance by **ANJANI PORTLAND CEMENT LIMITED** ("the Company"), for the year ended on 31st March, 2024, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period 1st April, 2023 to 31st March, 2024.

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

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

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

For **D. Hanumanta Raju & Co**
Company Secretaries

CS Mohit Kumar Goyal
Partner

FCS: 9967, CP:12751

UDIN: F009967F000705662

PR No: 699/2020

Place: Hyderabad

Date: July 10, 2024



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
ANJANI PORTLAND CEMENT LIMITED

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal, www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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 | Mrs. V. Valliammai | 01197421 | 25.05.2017 |
| 2 | Dr. (Mrs.) S. B. Nirmalatha | 03092392 | 10.02.2015 |
| 3 | Mr. RM Palaniappan | 00143198 | 16.05.2019 |
| 4 | Mr. N. Venkat Raju | 08672963 | 24.01.2020 |
| 5 | Mr. Gopal Perumal | 06630431 | 23.06.2023 |
| 6 | Mr. Palani Ramkumar | 09207219 | 11.08.2023 |

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

For **D. Hanumanta Raju & Co**
Company Secretaries

CS Mohit Kumar Goyal
Partner

FCS: 9967, CP:12751

UDIN: F009967F000705607

PR No: 699/2020

Place: Hyderabad

Date: July 10, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURE

I. DETAILS OF THE LISTED ENTITY:

| 1 | Corporate Identity Number | L26942TG1983PLC157712 | | | | | | | | | | |
|------------------|--|---|-------------|---------|------|--------------------|-------------|-------------------|------------------|--------------------------|-----------|--|
| 2 | Name of the Company | Anjani Portland Cement Limited | | | | | | | | | | |
| 3 | Year of incorporation | 1983 | | | | | | | | | | |
| 4 | Registered Office Address | #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad – 500082, Telangana | | | | | | | | | | |
| 5 | Corporate address | #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad – 500 082, Telangana | | | | | | | | | | |
| 6 | E-mail id | secretarial@anjaniment.com | | | | | | | | | | |
| 7 | Telephone | +91 040 2335 3096 / 3106 | | | | | | | | | | |
| 8 | Website | www.anjaniment.com | | | | | | | | | | |
| 9 | Financial Year reported | April 01, 2023 to March 31, 2024 | | | | | | | | | | |
| 10 | Name of the Stock Exchange(s) where shares are listed | BSE Limited and National Stock Exchange of India Limited | | | | | | | | | | |
| 11 | Paid-up Capital | ₹29,37,47,640/- | | | | | | | | | | |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | <table border="1"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Name</td> <td>Mr. N. Venkat Raju</td> </tr> <tr> <td>Designation</td> <td>Managing Director</td> </tr> <tr> <td>Telephone number</td> <td>91- 40- 2335 3096 / 3106</td> </tr> <tr> <td>e-mail id</td> <td>nvr@anjaniment.com</td> </tr> </tbody> </table> | Particulars | Details | Name | Mr. N. Venkat Raju | Designation | Managing Director | Telephone number | 91- 40- 2335 3096 / 3106 | e-mail id | nvr@anjaniment.com |
| Particulars | Details | | | | | | | | | | | |
| Name | Mr. N. Venkat Raju | | | | | | | | | | | |
| Designation | Managing Director | | | | | | | | | | | |
| Telephone number | 91- 40- 2335 3096 / 3106 | | | | | | | | | | | |
| e-mail id | nvr@anjaniment.com | | | | | | | | | | | |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosure under this report is made on a standalone basis. | | | | | | | | | | |
| 14 | Name of assurance provider | None | | | | | | | | | | |
| 15 | Type of assurance obtained | Not Applicable | | | | | | | | | | |

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

| Sl. No | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|--------------------------------|----------------------------------|-----------------------------|
| 1 | Manufacture and Sale of Cement | Manufacture and Sale of Cement | 100 |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sl. No | Product/Service | NIC Code | % of total Turnover contributed |
|--------|-----------------|----------|---------------------------------|
| 1 | Sale of Cement | 2394 | 100 |

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 1 | 9 | 10 |
| International | - | - | - |

19. Market served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 7 |
| International (No. of Countries) | - |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL. The products are sold only in India.

c. A brief on types of customers

The Company has both Commercial Customers (B2B Business) and Private Customers (B2C Business). The customers include Trade, Non-Trade and Governments.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|------------|------------|--------------|-----------|-------------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| Employees | | | | | | |
| 1 | Permanent (D) | 181 | 180 | 99.45 | 1 | 0.55 |
| 2 | Other than Permanent (E) | - | - | - | - | - |
| 3 | Total employees (D + E) | 181 | 180 | 99.45 | 1 | 0.55 |
| Workers | | | | | | |
| 4 | Permanent (F) | 57 | 57 | 100 | - | - |
| 5 | Other than Permanent (G) | 238 | 219 | 92.02 | 19 | 7.98 |
| 6 | Total workers (F + G) | 295 | 276 | 93.56 | 19 | 6.44 |

b. Differently abled employees and workers:

| S. No | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--|-----------|----------|----------|----------|----------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| Differently abled employees | | | | | | |
| 1 | Permanent (D) | - | - | - | - | - |
| 2 | Other than Permanent (E) | - | - | - | - | - |
| 3 | Total differently abled employees (D + E) | - | - | - | - | - |
| Differently abled workers | | | | | | |
| 4 | Permanent (F) | - | - | - | - | - |
| 5 | Other than Permanent (G) | - | - | - | - | - |
| 6 | Total differently abled workers (F + G) | - | - | - | - | - |

21. Participation/Inclusion/Representation of women

| | Total | No. and percentage of Females | |
|---------------------------|-------|-------------------------------|-----------|
| | (A) | No. (B) | % (B / A) |
| Board of Directors | 6 | 2 | 33.33 |
| Key Management Personnel* | 3 | - | - |

* Key Management Personnel includes Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

| | FY 2023-24 | | | FY 2022-23 | | | FY 2021-22 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 34% | 0% | 34% | 9% | 100% | 10% | 20% | 0% | 20% |
| Permanent Workers | 11% | 0% | 11% | 7% | 0% | 7% | 5% | 0% | 5% |

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held in / by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|--|--|
| 1 | Chettinad Cement Corporation Private Limited | Holding | 75.00 | No |
| 2 | Bhavya Cements Private Limited | Subsidiary | 99.09 | No |

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – **Not Applicable for financial year 2023-24**
- (ii) Turnover (in Rs.) – 4,594,184,186/-
- (iii) Net worth (in Rs.) – 4,111,447,640/-

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|---|---|---|---------|---|---|---------|
| | | No. of complaints filed during the year | No. of complaints pending resolution at close of the year | Remarks | No. of complaints filed during the year | No. of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | - | - | - | - | - | - |
| Investors (other than shareholders) | Yes | - | - | - | - | - | - |
| Shareholders | Yes | 1 | 0 | - | 4 | 0 | - |
| Employees and workers | Yes | - | - | - | - | - | - |
| Customers | Yes | 8 | 0 | - | 16 | 0 | - |
| Value Chain Partners | Yes | 5 | 0 | - | 5 | 0 | - |
| Others | Yes | 2 | 0 | - | 2 | 0 | - |

The Company policies are placed on the Company's website under investor relations and the same can be accessed through the web-link: <http://anjanicement.com/policies.html>

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| S. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-------|--------------------------------------|--|---|--|--|
| 1 | GHG Emissions | Risk & Opportunity | Challenge of reduction of GHG emissions from operations. | Energy-efficient technologies, improving mix of input materials. | Risk: Negative implications. Opportunity: Positive impact on profit and environment. |
| 2 | Fuel and Energy management | Opportunity | Energy resource, compliance. | Energy efficient operations. | Opportunity: Resource conservation and cost optimization. |
| 3 | Circularity and Resource Management | Opportunity | Increased use of resource substitution and optimization. | Resource efficiency and reduction of waste. | Positive implication through conservation of resources. |
| 4 | Water | Risk | Ground water depletion, water scarcity. | Water conservation initiatives such as air cooled systems. | Can impact operations negatively. |
| 5 | Biodiversity | Risk | Depletion of biodiversity. | Green belt development, tree plantation, reclamation efforts. | Can affect operating environment and company's reputation. |
| 6 | Product Innovation | Opportunity | Enhance competitive edge. | Investment in R&D, Development of new products. | Customer satisfaction, expansion of market opportunities. |
| 7 | Customer Satisfaction and engagement | Opportunity | Maintain competitive edge. | Sustained focus on Product quality and customer satisfaction. | Positive implications – customer retention and growth. |
| 8 | Employee satisfaction and wellbeing | Opportunity | Occupational Health and Safety, Employee wellness, Employee Training and Development. | OHS Management Systems, Employee Development Programmes. | Improved employee morale and retention. |
| 9 | Regulatory Compliance | Risk | Dynamic regulatory landscape. | Compliance with all applicable laws and regulations. | Risk: negative implications. |
| 10 | Social responsibility | Opportunity | Enhanced focus on local community development. | Improve engagement, impact assessment of initiatives. | Improve company's image and reputation, local community support. |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

| | |
|----|--|
| P1 | Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable |
| P2 | Businesses should provide goods and services in a manner that is sustainable and safe |
| P3 | Businesses should respect and promote the well-being of all employees, including those in their value chains |
| P4 | Businesses should respect the interests of and be responsive towards all its stakeholders |
| P5 | Businesses should respect and promote human rights |
| P6 | Businesses should respect, protect and make efforts to restore the environment |
| P7 | Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| P8 | Businesses should promote inclusive growth and equitable development |
| P9 | Businesses should engage with and provide value to their consumers in a responsible manner |

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | | |
| 1 | a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | c. Weblink of the policies, if available | http://anjaniment.com/policies.html | | | | | | | | |
| 2 | Whether the Company has translated the policy into procedures. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3 | Do the enlisted policies extend to the Company's value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4 | Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards adopted by the Company and mapped to each (e.g. SA 8000, OHSAS, ISO, BIS) principle. | The Company has adopted various standards specified by the International Organisation for Standardization (ISO). These are- ISO 9001:2015 for quality management systems ISO 14001:2015 for environment management systems ISO 45001:2018 for Occupational Health and Safety Bureau of Indian Standards (BIS) | | | | | | | | |
| 5 | Specific commitments, goals and targets set by the Company with defined timelines, if any. | The Company is committed to protecting the environmental, social, health and safety aspects while conducting its business operations. Periodical review meetings on these aspects are conducted in order to inculcate a culture of doing business in the interests of environment, society and all stakeholders. The company focuses on resource conservation and resource efficiency, employee safety and wellbeing and environmental protection. It is also working on several energy efficiency, resource conservation, and waste reduction projects. | | | | | | | | |
| 6 | Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met. | The performance on the environment and social aspects are being monitored and met as per the relevant standards. | | | | | | | | |

| Governance, leadership and oversight | | |
|--------------------------------------|--|---|
| 7 | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | The company believes in sustainability and endeavours to balance its concern for the environment and people with efficient and profitable operations. It is committed to resource efficiency and minimizing its carbon footprint. The company also seeks to ensure the satisfaction of all its stakeholders. Besides focusing on the holistic well-being of its employees, through various Health and Safety initiatives and providing continuous learning & development opportunities, the company also places importance on the development of communities around its manufacturing unit. |
| 8 | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies). | Mr. N Venkat Raju Managing Director |
| 9 | Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes. The CSR Committee of the Board is responsible for decision making on CSR and sustainability related issues. |

| Details of review of NGRBCs by the Company: | | | | | | | | | | | |
|---|--|---|---|----|----|----|----|----|----|----|----|
| 10 | Subject for review | Indicate whether review was undertaken by Director/ Committee of the Board/any other Committee | Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
| | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| | Performance against above policies and follow up action | Yes. Policy reviews are conducted by internal audit teams, statutory auditors, management system auditors, and MD. The Board meets once every quarter or as and when required to review and discuss key issues relevant to the organization and its stakeholders. | Annually | | | | | | | | |
| | Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Yes. Key concerns are identified and communicated by senior executives to the Board for discussion, advice and decisions. The board collectively ensures along with the senior and operating management that all the compliance and statutory requirements are met. | Quarterly | | | | | | | | |
| 11 | Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| | | | No | | | | | | | | |

| | | |
|----|---|----------------------------|
| 12 | If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated: | |
| | Questions | P1 P2 P3 P4 P5 P6 P7 P8 P9 |
| | The entity does not consider the Principle material to its business (Yes/No) | Not Applicable |
| | The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | |
| | The entity does not have the financial or/human and technical resources available for the task (Yes/No) | |
| | It is planned to be done in the next financial year (Yes/No) | |
| | Any other reason (please specify) | |

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | %age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors | 1 | The Board is familiarised of the principles of the NGRBC released by MCA and SEBI, Governance and ESG | 50% |
| Key Managerial Personnel | 2 | All KMPs are trained on the Code of Conduct Guidelines, Anti-corruption Policy, POSH, the principles of NGRBC, Governance and ESG every year | 100% |
| Employees other than BoD and KMPs | 41 | All Employees are trained on the Code of Conduct Guidelines, Anti-corruption Policy, POSH and the principles of NGRBC every year; Safety, Technical, Knowledge Sharing and Sustainability. | 100% |
| Workers | 39 | Awareness is being created among all the Workers on safety, environment, etc. through several programmes; Safety, Technical and Knowledge Sharing. | 100% |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

| Monetary | | | | | |
|-----------------|-----------------|---|-------------------|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine | Nil | NA | Nil | NA | NA |
| Settlement | Nil | NA | Nil | NA | NA |
| Compounding fee | Nil | NA | Nil | NA | NA |
| Non-Monetary | | | | | |
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | | Has an appeal been preferred? (Yes/No) |
| Imprisonment | Nil | NA | NA | | NA |
| Punishment | Nil | NA | NA | | NA |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---|
| NA | NA |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The policy related to the prevention of bribery and corruption is embedded in the Company's Codes of Conduct (viz, Code of Conduct for Employees, Code of Conduct for Directors and Senior Management), Whistle Blower Policy for establishing Vigil Mechanism and HR policies and practices.

The relevant policies can be accessed at <https://anjaniment.com/policies.html>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| | FY 2023-24 | FY 2022-23 |
|-----------|------------|------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |
| Workers | Nil | Nil |

6. Details of complaints with regard to conflict of interest:

| | FY 2023-24 | | FY 2022-23 | |
|--|------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | NA | Nil | NA |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | Nil | NA | Nil | NA |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No such cases on corruption and conflicts of interest.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 55 | 37 |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | Nil | Nil |
| | b. Number of trading houses where purchases are made from | Nil | Nil |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | Nil | Nil |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | 41% | 36% |
| | b. Number of dealers / distributors to whom sales are made | 539 | 454 |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | 29% | 33% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 40% | 14% |
| | b. Sales (Sales to related parties / Total Sales) | 2.01% | 0.05% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | Nil | Nil |
| | d. Investments (Investments in related parties / Total Investments made) | Nil | Nil |

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|--|
| 1 | P3, P6, P7, and P9 of NGRBC | 100% |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company have a Code of Conduct for Board Members and Senior Management Personnel, Whistle Blower Policy for establishing Vigil Mechanism and Grievance redressal policy for redressal of all kinds of grievances.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | FY 2023-24 | FY 2022-23 | Details of improvements in environmental and social impacts |
|-------|------------|------------|---|
| R & D | Nil | Nil | Nil |
| Capex | 38.74% | 31.40% | Resource conservation initiatives such as Conservation of energy through VFD, process optimization, alternate fuels, material substitution, storage facilities, etc. resulted in overall improvement in energy, environmental protection and resource efficiency. |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) - Yes

The company follows sustainable procurement practices and endeavours to source materials locally to the maximum extent possible, to reduce emissions and control costs.

- b. If yes, what percentage of inputs were sourced sustainably? 40%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 - a) Plastics (Including Packaging):- Registered for PIBO & Plastic Waste Reprocessor in EPR for Plastic Waste Management in Central Pollution Control Board.
 - b) E-Waste:- Sending to approved E-Waste reprocessor.
 - c) Hazardous Waste:- Taken approval for co-Processing of Hazardous waste from CPCP & State Pollution Control Board.
 - d) Other Waste:- Battery waste, using buy back process with vendor for procurement of new batteries.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, the waste collection plan in line with EPR plan submitted to TPCB and registration certificate obtained.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/ No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link. |
|----------------|---------------------------|---------------------------------|--|--|---|
| Not Applicable | | | | | |

No specific Life Cycle Assessment has been conducted. Our products are fully and safely consumed by the customers. However, LCA will be planned and conducted in future.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---------------------------|-----------------------------------|--------------|
| Not Applicable | | |

LCA is planned for future. However, presently all required measures are being taken in production operations to minimize environmental and safety concerns, through proper systems, training of people, and regulatory compliance.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|---|--|------------|
| | FY 2023-24 | FY 2022-23 |
| Various Alternate Raw Materials and Fuels, Dusts and wastes collected from processes. | 38% | 40% |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|----------------|----------|-----------------|----------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | Not Applicable | | | Not Applicable | | |
| E-waste | Not Applicable | | | Not Applicable | | |
| Hazardous waste CPP Ash | Not Applicable | | | Not Applicable | | |
| Other waste | Not Applicable | | | Not Applicable | | |

Cement is used as an intermediate material in construction activities, and the packing materials (bags) are mostly used for temporary storage of other construction materials by the end users.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| Not Applicable | |

Our product cement is used in construction as concrete and for finishing, and cannot be reclaimed. Waste materials sourced from outside are used in our processes.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicator

1. a. Details of measures for the well-being of employees:

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|--------------|--------------------|------------|--------------------|----------|--------------------|----------|---------------------|----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 180 | 60 | 33.33 | 180 | 100 | - | - | - | - | - | - |
| Female | 1 | - | - | 1 | 100 | - | - | - | - | - | - |
| Total | 181 | 60 | 33.15 | 181 | 100 | - | - | - | - | - | - |
| Other than permanent employees | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

b. Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|--------------|--------------------|------------|--------------------|----------|--------------------|----------|---------------------|----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | 57 | 49 | 85.95 | 57 | 100 | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | 57 | 49 | 85.95 | 57 | 100 | - | - | - | - | - | - |
| Other than permanent workers | | | | | | | | | | | |
| Male | 219 | 219 (ESI) | 100 | - | - | - | - | - | - | - | - |
| Female | 19 | 19 (ESI) | 100 | - | - | - | - | - | - | - | - |
| Total | 238 | 238 | 100 | - | - | - | - | - | - | - | - |

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.15% | 0.16% |

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|-------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100% | 100% | Y | 100% | 100% | Y |
| Gratuity | 100% | 100% | Y | 100% | 100% | Y |
| ESI | 1 | 100% | Y | 1 | 100% | Y |
| Others – please specify | - | - | - | - | - | - |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Though there are no differently abled employees at present in the company, appropriate infrastructural facilities and amenities are provided.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | Nil | Nil | Nil | Nil |
| Female | Nil | Nil | Nil | Nil |
| Total | Nil | Nil | Nil | Nil |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|--|
| Permanent Workers | Yes. |
| Other than Permanent Workers | The Company has a dedicated internal Grievance Committee and Works Committee to receive and address any grievances raised by any employee. |
| Permanent Employees | |
| Other than Permanent Employees | |

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|----------------------------------|--|---|-----------|--|--|-----------|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association (s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | 181 | - | - | 196 | - | - |
| Male | 180 | - | - | 196 | - | - |
| Female | 1 | - | - | - | - | - |
| Total Permanent Workers | 57 | 57 | 100 | 63 | 63 | 100 |
| Male | 57 | 57 | 100 | 63 | 63 | 100 |
| Female | - | - | - | - | - | - |

8. Details of training given to employees and workers:

| Category | FY 2023-24 | | | | | FY 2022-23 | | | | |
|------------------|------------|-------------------------------|--------------|----------------------|--------------|------------|-------------------------------|--------------|----------------------|--------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 180 | 173 | 96.11 | 158 | 87.78 | 196 | 190 | 96.94 | 190 | 96.94 |
| Female | 1 | 1 | 100 | 1 | 100 | - | - | - | - | - |
| Total | 181 | 174 | 96.13 | 159 | 87.85 | 196 | 190 | 96.94 | 190 | 96.94 |
| Workers | | | | | | | | | | |
| Male | 57 | 57 | 100 | 57 | 100 | 63 | 63 | 100 | 63 | 100 |
| Female | - | - | - | - | - | - | - | - | - | - |
| Total | 57 | 57 | 100 | 57 | 100 | 63 | 63 | 100 | 63 | 100 |

9. Details of performance and career development reviews of employees and workers:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------|------------|------------|--------------|------------|------------|--------------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Employees | | | | | | |
| Male | 180 | 174 | 96.67 | 196 | 194 | 98.98 |
| Female | 1 | 1 | 100 | - | - | - |
| Total | 181 | 175 | 96.69 | 196 | 194 | 98.98 |
| Workers | | | | | | |
| Male | 57 | 57 | 100 | 63 | 63 | 100 |
| Female | - | - | - | - | - | - |
| Total | 57 | 57 | 100 | 63 | 63 | 100 |

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, APCL has implemented Occupational Health and Safety management system certifiable to ISO 45001 Standard. Maintaining, fostering and improving the safety and wellbeing of employees is embedded in the company-wide risk management and control process.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

As part of implementation of ISO standard, procedures for Hazard Identification and Risk Assessment (HIRA) have been established and implemented in the factory. HIRA is conducted for routine and non-routine activities. Work related hazards are identified by people involved in the operations, EHS officers and contractor representatives (wherever applicable). The identified hazards are recorded and control measures are discussed and defined as per hierarchy of controls. The CAPA (Corrective and Preventive Action) tracker is implemented to proactively identify safety risks in high risk activities and implement engineering controls to mitigate the risks. A Cross Functional Team reviews high risk activity and implements engineering controls, as feasible to mitigate risks. Focused trainings are conducted on "Behavioral Based Safety" (BBS) to promote awareness amongst third party and contractual employees to adopt safe work practices.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. APCL has established a robust system of reporting Unsafe Acts and Unsafe Conditions, near misses and incident reporting. Workers have been trained to isolate themselves immediately from such risks and are encouraged to report all such incidents to Safety Committee on monthly basis and to immediately isolate themselves from such risks. The incidents are recorded in an EHS dashboard are analyzed. Corrective and preventive actions are initiated to mitigate safety risks.

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Employees and workers of APCL have access to non-occupational medical and healthcare services. Preventive Health Check, Wellness programs are offered as part of non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| Total recordable work-related injuries | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | Nil | Nil |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

We operate an implementing Integrated Management System by adopting ISO QMS, EMS and OSHAS. Further, we are following various statutory guidelines issued by Factories department, Fire department and PCB.

The EHS management system has enabled businesses to mitigate EHS related risks and ensure providing safe and healthy workplace. Structured programs have been established and implemented to ensure business continuity.

13. Number of Complaints on the following made by employees and workers:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil | Nil | NA | Nil | Nil | NA |
| Health & Safety | Nil | Nil | NA | Nil | Nil | NA |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100%, Factories Department yearly inspections and IMS internal and external Audits |
| Working Conditions | |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Nil. Corrective and Preventive actions are part of the safety management system.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

In all contractual obligations with value chain partners, statutory dues such as PF, gratuity, etc. are deducted and paid accordingly.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/ workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|--|------------|---|------------|
| | FY 2023-24 | FY 2022-23 | FY 2023-24 | FY 2022-23 |
| Employees | Nil | Nil | Nil | Nil |
| Workers | Nil | Nil | Nil | Nil |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | 100% by the Company |
| Working Conditions | |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risk/concern was reported on health, safety and/or working conditions in the value chain partners, hence no corrective action was required to be taken.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution who is impacted by or who can impact the business chain of the Company is identified as a key stakeholder. This *inter alia* includes employees, shareholders and investors, customers, channel partners, regulators, lenders, research analysts, communities and non-governmental organizations and suppliers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|--|---|---|---|--|
| Customers | No | E-mails, Website, Webinars. | On need basis. | Information on business offerings. |
| Employees | No | 1. E-mails, Monthly updates, Newsletters. 2. Notice Boards in factories. 3. Company intranet and Website. 4. Regular updates on our internal social media group. 5. Internal meetings and virtual meetings. | 1. Employee satisfaction survey– Annually. 2. Business specific monthly/ quarterly meetings. 3. Annual meeting. | 1. Information about Company’s business growth plans and business performance. 2. Top-down communication about important changes, policies, wellbeing initiatives. 3. Platform for gathering informal feedback. 4. Workplace diversity is encouraged through various diversity, equity and inclusion initiatives. |
| Local Communities | Yes | Meetings, Quarterly and Annual Reports | Quarterly periodic review meetings based on the characteristics of each CSR project. | To develop the CSR project along with the community according to the needs of the community. |
| Vendors/ Suppliers/ Contractors/ Sellers | No | E-mails, Conference calls, Virtual meetings. | On need basis. | To understand new market trends and educating the suppliers. |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|--|---|---|--|---|
| Investors/ Funders/ Shareholders | No | E-mails, Newspapers, Notice Board, Website, Stock Exchanges, RTA. | Quarterly, Annually and need based | Shareholder related communications. |
| Regulatory bodies/ Government/ Industry Associations | No | Mails, letters, Meetings, Filing of reports and Returns. | Periodic and need-based. | Compliance |

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company has constituted following Committees of which Board Members are part to address stakeholders' concerns.

- (a) **Audit Committee:** The committee is entrusted with the Business, Economic and Social responsibilities of the organization. The Audit Committee supervises the Company's financial reporting and disclosures ensuring timeliness and compliance with regulatory requirements.
 - (b) **Nomination and Remuneration Committee:** The committee recommends suitable persons for the post of Directors, Key Managerial Personnel and their remuneration. The Board of Directors considers their recommendation and seek the approval of the shareholders for the appointment of Directors. This committee also lays down performance evaluation criteria for Independent Directors based on expertise and value offered and attendance at committee meetings.
 - (c) **Stakeholders Relationship Committee:** This committee oversees the timely and appropriate resolution of investor grievances. Members of this committee also formulate policies to service this stakeholder group.
 - (d) **Risk Management Committee:** The committee is responsible for reviewing and evaluating all business risks identified by the Company's management, including those pertaining to the environment. Members of this committee oversee the formulation of the Company's Risk Management Policy and also provide strategic direction to minimize potential risks. They also oversee the establishment, implementation and monitoring of the organization's risk management system.
 - (e) **CSR Committee:** The Committee is entrusted with the social responsibility obligations of the Company. This committee is responsible for developing and modifying the organization's CSR policy, as well as for identifying the CSR plans, programs and activities to undertake. The monitoring of CSR projects implemented including the financials is in the purview of this committee. The Committee also looks into sustainability issues and performance.
2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. The Company welcomes the inputs from the stakeholders and considers them in a constructive manner. It is committed to improve quality of life and create lasting value for society and thereby contribute to a sustainable future.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company always acts as a responsible corporate citizen and engages with the marginalized and vulnerable sections of the society. The major engagement channels are with the communities benefiting from our CSR activities. The Company addresses the concerns of this vulnerable/ marginalized stakeholder group through its CSR initiatives.

PRINCIPLE 5 Businesses should respect and promote human rights



Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------------|------------|---------------------------------------|--------------|------------|---------------------------------------|--------------|
| | Total (A) | No. of employees /workers covered (B) | % (B/A) | Total (C) | No. of employees /workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 181 | 165 | 91.16 | 196 | 186 | 94.90 |
| Other than Permanent | - | - | - | - | - | - |
| Total Employees | 181 | 165 | 91.16 | 196 | 186 | 94.90 |
| Workers | | | | | | |
| Permanent | 57 | 57 | 100 | 63 | 63 | 100 |
| Other than Permanent | 238 | - | - | 248 | - | - |
| Total Workers | 295 | 57 | 19.32 | 311 | 63 | 20.26 |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2023-24 | | | | | FY 2022-23 | | | | |
|-----------------------------|------------|-----------------------|------------|------------------------|------------|------------|-----------------------|------------|------------------------|------------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 181 | - | - | 181 | 100 | 196 | - | - | 196 | 100 |
| Male | 180 | - | - | 180 | 100 | 196 | - | - | 196 | 100 |
| Female | 1 | - | - | 1 | 100 | - | - | - | - | - |
| Other than Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Workers | | | | | | | | | | |
| Permanent | 57 | - | - | 57 | 100 | 63 | - | - | 63 | 100 |
| Male | 57 | - | - | 57 | 100 | 63 | - | - | 63 | 100 |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other than Permanent | 238 | 238 | 100 | - | - | 248 | 248 | 100 | - | - |
| Male | 219 | 219 | 100 | - | - | 224 | 224 | 100 | - | - |
| Female | 19 | 19 | 100 | - | - | 24 | 24 | 100 | - | - |

3. Details of remuneration/salary/wages:

- a. Median remuneration / wages:

| | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)* | 4 | 0 | 2 | 0 |
| Key Managerial Personnel (KMP)** | 3 | 30,72,377 | 0 | 0 |
| Employees other than BoD and KMP | 178 | 7,41,599 | 1 | 8,50,000 |
| Workers | 57 | 6,03,086 | 0 | 0 |

* Non-Executive Directors are not paid any remuneration, other than sitting fee.

** Key Management Personnel includes Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer.

- b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 0.42% | 0% |

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. The Company has dedicated committees such as Works Committee and Grievances Committee, which act as the focal point on this.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has dedicated committees such as Works Committee and Grievances Committee, which act on all human rights concerns. The policy on prevention of sexual harassment has been formulated to ensure safety of its employees at workplace. A dedicated internal complaint committee has been formed to address any issue raised by any employee.

As per the POSH Policy, any complaint of Sexual Harassment would be dealt with utmost confidentiality and on priority by the Committee. During the year, the Company has not received any complaint under POSH Act.

The Company has also established a Vigil Mechanism and has a Whistle Blower Policy which enables internal stakeholders and external stakeholders to raise concerns. The concerns are addressed by the Audit Committee and the Board of Directors.

Human rights concerns within the organisation are addressed by the Managing Director through HR.

6. **Number of Complaints on the following made by employees and workers:**

| | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | NA | Nil | Nil | NA |
| Discrimination at workplace | Nil | Nil | NA | Nil | Nil | NA |
| Child Labour | Nil | Nil | NA | Nil | Nil | NA |
| Forced Labour/Involuntary Labour | Nil | Nil | NA | Nil | Nil | NA |
| Wages | Nil | Nil | NA | Nil | Nil | NA |
| Other human rights related issues | Nil | Nil | NA | Nil | Nil | NA |

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil | Nil |
| Complaints on POSH as a % of female employees / workers | Nil | Nil |
| Complaints on POSH upheld | Nil | Nil |

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Please refer answer of question no. 5 above.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/ No)

Yes. Statutory and regulatory requirement clauses stipulate regarding human values, child labour, equal remuneration and social security.

The code of business conduct forms part of the contract with suppliers and all third parties with whom we conduct business. It covers human rights protection as well.

10. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour | 100% assessed internally and by Labour Department. |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | Nil |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No risk/concern has arisen and there is no necessity for corrective action. The Company monitors the compliances on a quarterly basis and the same is also being reported to the Board in its meeting.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company through its quarterly due diligence process, checks whether there are any human rights grievances / complaints. The Company has not received any complaint on human rights issues.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Training and awareness programmes, and robust legal & regulatory compliance monitoring at all levels through our Internal Audit system & Safety Audit on periodical basis, are part of the due diligence process.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|--|
| Sexual Harassment | 100% |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour/Involuntary Labour | |
| Wages | |
| Others – please specify | Nil |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No necessity for corrective action and there is no risk/concern reported or arisen during the year 2023-24.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2023-24 (Giga Joules) | FY 2022-23 (Giga Joules) |
|--|-----------------------------|-----------------------------|
| From renewable sources | | |
| Total electricity consumption (A) | - | - |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total energy consumed from renewable sources (A+B+C) | - | - |
| From non-renewable sources | | |
| Total electricity consumption (D) | 8,161 | (13,076)* |
| Total fuel consumption (E) | 33,31,940 | 32,17,811 |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from non-renewable sources (D+E+F) | 3,340,101 | 32,04,735 |
| Total energy consumed (A+B+C+D+E+F) | 33,40,101 | 32,04,735 |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 0.00073 (GJ/Rs.) | 0.00076 (GJ/Rs.) |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) ^ | 0.0166 (GJ/USD) | 0.0174 (GJ/USD) |
| Energy intensity in terms of physical output | 3.923 (GJ/MT) | 3.804 (GJ/MT) |
| Energy intensity (optional) – the relevant metric may be selected by the entity | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

* 2022-23 total electricity consumption is adjusted for power export.

^ The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India at 1 USD = Rs.22.88

For India PPP conversion factor, GDP (LCU per international \$) is 22.9 for the year 2022 as per World bank data available at <https://data.worldbank.org/indicator/PA.NUS.PPP>

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. The Company is covered under the PAT Scheme and the targets sets have been achieved.

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|-------------------------|-------------------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others (RWH Pits) | 41,611 | 44,633 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 41,611 | 44,633 |
| Total volume of water consumption (in kilolitres) | 41,611 | 44,633 |
| Water intensity per rupee of turnover (Total water consumption / Revenue from operations) | 0.00906 (Litres/Rs.) | 0.01057 (Litres/Rs.) |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)* | 0.20723 (Litres/USD) | 0.24189 (Litres/USD) |
| Water intensity in terms of physical output | 48.87 (Litres/MT) | 52.98 (Litres/MT) |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India at 1 USD = Rs.22.88

4. Provide the following details related to water discharged:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (ii) To Groundwater | | |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (iii) To Seawater | | |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (iv) Sent to third-parties | | |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (v) Others | | |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| Total water discharged (in kilolitres) | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our plant generates only domestic effluent which is treated in our Sewage Treatment Plant (STP). There is no process effluent and therefore there is no Effluent Treatment Plant (ETP). The STP output water is used for gardening and dust suppression.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|------------|
| NO _x | Mg/Nm ³ | 337.1 | 300.5 |
| SO _x | Mg/Nm ³ | 46.8 | 42.1 |
| Particulate matter (PM) | Mg/Nm ³ | 22.7 | 24.5 |
| Persistent organic pollutants (POP) | NA | NA | NA |
| Volatile organic compounds (VOC) | NA | NA | NA |
| Hazardous air pollutants (HAP) | NA | NA | NA |
| Others – please specify | NA | NA | NA |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|--|-------------|-------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | MT of CO ₂ equivalent | 6,49,638.59 | 6,16,204.27 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | MT of CO ₂ equivalent | 2.49 | 2.77 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | Kg of CO ₂ equivalent per Rs. | 0.1414 | 0.1460 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)* | Kg of CO ₂ equivalent per USD | 3.23535 | 3.33952 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | Kg of CO ₂ equivalent / MT of Product | 762.92 | 731.51 |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India at 1 USD = Rs.22.88

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, in order to reduce Green House Gas emissions, we have implemented several measures such as alternative fuels, lower clinker factor, blended cement production, energy efficiency efforts, and many more. Use of renewable energy is being explored.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|-----------------------|-----------------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 1.0570 | 1.1370 |
| E-waste (B) | - | 0.0100 |
| Bio-medical waste (C) | - | - |
| Construction and demolition waste (D) | - | - |
| Battery waste (E) | - | - |
| Radioactive waste (F) | - | - |
| Other Hazardous waste. Please specify, if any. (G) (Used Oil) | 10.7024 | 8.3520 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | - | - |
| Total (A+B + C + D + E + F + G+ H) | 11.7593 | 9.4990 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.0000026 (Kg/Rs.) | 0.0000022 (Kg/Rs.) |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)* | 0.00006 (Kg/USD) | 0.00005 (Kg/USD) |
| Waste intensity in terms of physical output | 0.0138 (Kg/MT) | 0.0113 (Kg/MT) |
| Waste intensity (optional) – the relevant metric may be selected by the entity | - | - |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |

| Category of waste | | |
|--|----------------|---------------|
| (i) Recycled | 10.7024 | 8.3520 |
| (ii) Re-used | - | - |
| (iii) Other recovery operations | - | - |
| Total | 10.7024 | 8.3520 |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | - | - |
| (ii) Landfilling | - | - |
| (iii) Other disposal operations | 1.0570 | 1.1470 |
| Total | 1.0570 | 1.1470 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India at 1 USD = Rs.22.88

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

APCL endeavours to replace hazardous and toxic chemicals in our products with eco-friendly alternatives. Our products are based mostly on natural raw materials and do not use any hazardous and toxic chemicals. Co-Processing of Hazardous waste is done in Cement Kiln as per CPCB guidelines.

Different identified waste bins are provided to segregate the wastes at the source itself and stored in designated places provided in the scrap yard and proper accounting is being done before disposal to authorized vendors. Sufficient awareness, visual aids, PPEs are provided to those who handle the wastes. Daily accounting and monthly reporting are being done.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any. |
|---|--------------------------------|--------------------|--|
| Not Applicable. None of our operations are in ecologically sensitive areas. | | | |

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| Not Applicable | | | | | |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--|---|---------------------------------------|---|---------------------------------|
| Yes, the Company complies with the applicable environmental laws / regulations / guidelines and there is a robust mechanism to monitor and report its compliances. The company is also certified under ISO 14001. There was no non-compliance. | | | | |

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable. Our manufacturing location is not in water stressed location and hence this section is not applicable.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Nil
- (ii) Nature of operations: Nil
- (iii) Water withdrawal, consumption and discharge in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kilolitres) | - | - |
| Total volume of water consumption (in kilolitres) | - | - |
| Water intensity per rupee of turnover (Water consumed / turnover) | - | - |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (ii) Into Groundwater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iii) Into Seawater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iv) Sent to third-parties | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| Total water discharged (in kilolitres) | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Scope 3 emissions are indirect GHG emissions that occur outside the organization, including both upstream and downstream emissions. We will be monitoring and reporting the Scope 3 emissions going forward.

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---------------------------------|------------|------------|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | - | - |
| Total Scope 3 emissions per rupee of turnover | | - | - |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|--|---|
| 1. | Process modifications and Material optimization | Use of alternative materials, e.g., external ETP sludge, boiler ash, which are basically wastes. | Cost reduction, resource conservation, waste management, and lower emissions. |
| 2. | Energy Conservation | Process improvements, replacement of old equipment and systems with newer energy efficient equipment, e.g., VFD, lighting systems. | Cost reduction, energy conservation, and lower emissions. |
| 3. | Water Conservation | Installation of air cooled systems, operating STP. | Cost reduction, and water conservation. |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the company has a Business Continuity Plan and disaster management plan.

Our Manufacturing unit is having emergency preparedness and business continuity plan to handle any disaster. The plans are designed to contain the incident, minimize casualties and prevent further injuries, mitigation measures, quick and streamlined relief and rescue operation, speed up restoration of normalcy and ensure each member of the emergency operation including response team and employees are aware of their role in emergency. It is critical also to ensure the Plant can manage these risks well.

This is achieved by: developing a comprehensive emergency plan to handle various identified and potential emergencies, implementing the plan and training the people, improving response through regular conduct of mock drills, and monitoring implementation by inspecting and auditing controls to ensure that the system is working as planned.

With regard to Business continuity, we have adequate mines reserve to sustain the business. Our manufacturing unit is having Factory and other licences to operate the Plant, and these are being renewed on time.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Value chain partners have not been assessed for environmental impacts. This process will be initiated in the coming years. The Company ensures that there are no adverse impacts to the environment arising from its value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Value chain partners have not been assessed for environmental impacts. This process will be initiated in the coming years.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 3 Nos
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|--|---|
| 1 | Bureau of Energy Efficiency (BEE) | National |
| 2 | Confederation of Indian Industries (CII) | National |
| 3 | National Council for Cement and Building Materials (NCCBM) | National |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Nil | Not Applicable | Not Applicable |

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method restored for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others) | Web Link, if available |
|--------|-------------------------|-----------------------------------|--|--|------------------------|
| Nil | | | | | |

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Not Applicable | | | | | |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No | Name of Project for which R & R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R & R | Amounts paid to PAFs in the FY (In INR) |
|----------------|--|-------|----------|---|----------------------------|---|
| Not Applicable | | | | | | |

3. Describe the mechanisms to receive and redress grievances of the community.

The Plant has a designated CSR team to interact with the community at large and address any grievances by planning projects towards addressing the needs of the community. The team has a good rapport with all stakeholders such as the community, district administration, and political parties and work towards finding a feasible and satisfactory solution.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 21% | 20% |
| Sourced directly from within India | 100% | 100% |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

| Location | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | 73% | 69% |
| Semi-urban | 5% | 5% |
| Urban | 0% | 0% |
| Metropolitan | 22% | 26% |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| None | Not Applicable |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No. | State | District | Amount spent (In INR) |
|--------|-------|----------|-----------------------|
| 1 | None | None | Not Applicable |

The Company has undertaken its CSR activities in Suryapet District of Telangana and has spent an amount of ₹21,54,576 under various activities. The CSR activities are not undertaken in aspirational districts.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, contracts are awarded on merit and not on preference.

- (b) From which marginalized /vulnerable groups do you procure?

Not applicable.

- (c) What percentage of total procurement (by value) does it constitute?

Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No | Intellectual Property based on traditional knowledge | Owned /Acquired (Yes/No) | Benefit shared (Yes/No) | Basis of calculating benefit share |
|----------------|--|--------------------------|-------------------------|------------------------------------|
| Not Applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of the Authority | Brief of the Case | Corrective action taken |
|-----------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|-----------------------------------|---|---|
| 1 | Promoting Education | 1100 | The beneficiaries of Company's CSR Programs and projects are from all sections of the society in our area of influence. |
| 2 | Rural Development Projects | 31600 | |
| 3 | Health Care, Hygiene & Sanitation | 500 | |

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

All communications with customers are done by Marketing personnel. In case of customer complaint this is informed to the Plant by marketing dept. The customer communications /requirements at plant is the responsibility of QUAS department which evaluates the complaint and takes necessary actions and informs the customer through marketing department. Feedback is also collected from dealers and customers.

The Company has well-structured response mechanism for handling consumer complaints, starting from formal receipt of the complaint, attending the complaint within a stipulated time frame of about 2 days, identifying the root cause of the problem, validation through internal checks, communicating with customer the solution and closing the complaint. Further, there is also an escalation mechanism.

Trend and cause analysis of complaints are carried out. Corrective and preventive actions are identified and implemented.

There is a documented procedure to handle customer complaints and resolve them, which is a part of the IMS system, audited periodically by the IMS auditors for the purpose of maintaining the certification. This is also an important metric and forms a part of monthly internal reviews by the Plant management.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage to total turnover |
|---|---|
| Environmental and social parameters relevant to the product | All necessary information as per regulatory requirements are disclosed on all our products. Information to be provided on cement bags are governed as per BIS guidelines. |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

3. Number of consumer complaints in respect of the following:

| | FY 2023-24 | | Remarks | FY 2022-23 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | Nil | Nil | NA | Nil | Nil | NA |
| Advertising | Nil | Nil | NA | Nil | Nil | NA |
| Cyber-security | Nil | Nil | NA | Nil | Nil | NA |
| Delivery of essential services | Nil | Nil | NA | Nil | Nil | NA |
| Restrictive Trade Practices | Nil | Nil | NA | Nil | Nil | NA |
| Unfair Trade Practices | Nil | Nil | NA | Nil | Nil | NA |
| Other | Nil | Nil | NA | Nil | Nil | NA |

4. Details on instance of products recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil | NA |
| Forced recalls | Nil | NA |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The company is working on a sound cyber security policy and system, which is expected to be ready shortly.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.

Since there were no complaints, there was no need for any corrective action. However, we always endeavour to ensure the best quality products are delivered to our customers and ensure all feedbacks from our stakeholders are considered to improve our business processes.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breaches involving personally identifiable information of customers - Nil
- c. Impact, if any, of the data breaches - Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Yes, it can be accessed at the company website at www.anjanicement.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Yes, we educate our customers frequently by convening meetings through Mason meets, sub-dealer meets, contractor meets, builder meets and Dealer meets.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable. We do not fall under Essential Services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. We follow BIS regulations for the product packaging and information to be contained in the product packaging. Product-wise features and applications are readily available for customers' information.

Yes, we regularly carry out the customer satisfaction survey.



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Independent Auditor's Report

To the Members of Anjani Portland Cement Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Anjani Portland Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its Loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

| Key Audit Matter | Auditor's Response |
|---|--|
| <u>Evaluation of uncertain tax positions</u> The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 37 to the Standalone Financial Statements. | <u>Principal Audit Procedures</u> Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. |

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation

and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the standalone Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Companies Act, 2013.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 37);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;
 - iii. The company has during the year transferred a sum of Rs.7,18,613/- to the Investor Education and Protection Fund towards unclaimed interim dividend for the financial year 2016-17. There is no other amount, which is 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 (Refer Note 43);
 - (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 (Refer Note 43);
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 33(b) to the standalone financial statements:
- (a) The company has not declared or paid any dividend during the year.
 - (b) The Board of Directors of the Company have not proposed dividend for the year 2023-24.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso 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 for preceding year 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 Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 24024363BKCUSK5445

Place: Hyderabad
Date: 27th May, 2024

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **Anjani Portland Cement Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 24024363BKCUSK5445

Place: Hyderabad
Date: 27th May, 2024

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Annexure “B” to the Independent Auditor’s Report

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

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
 - (c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory and have been properly dealt with in the books of account.
 - (b) The Company is sanctioned working capital limits in excess of Rs.5 Crores from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. During the year, the Company has not made investments, not provided any loans or advances in the nature of loans not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the order is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
 - b) Details of statutory dues which have not been deposited as on March 31, 2024 on account of disputes are given below:

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

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.
 b) The Company has not been declared wilful defaulter by any bank or financial institution or government or other lender.
 c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
 f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x. a) The company has not raised monies 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) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash loss of Rs.167 Lakhs during the year. Cash Loss of Rs.165 Lakhs was incurred in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) There is no amount to be spent for other than ongoing projects towards Corporate Social Responsibility (CSR). Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
 b) The Company does not have ongoing projects relating to CSR. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

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

C. Kameshwar Rao
 Partner
 Membership No.024363
 UDIN: 24024363BKCUSK5445

Place: Hyderabad
 Date: 27th May, 2024

Standalone Balance Sheet

All amounts in INR Lakhs unless otherwise stated

| Particulars | Note | As at March 31, 2024 | As at March 31, 2023 |
|--|------|-------------------------|-------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2a | 15,793 | 17,389 |
| Right of Use Assets | 40 | 25 | 39 |
| Capital work in progress | 2c | 280 | 17 |
| Other intangible assets | 2b | 1 | 1 |
| Financial assets | | | |
| i. Investments | 3 | 68,672 | 68,672 |
| ii. Other financial assets | 4 | 166 | 290 |
| Other non-current assets | 5 | 404 | 316 |
| Total non-current assets | | 85,341 | 86,724 |
| Current assets | | | |
| Inventories | 6 | 2,942 | 3,819 |
| Financial assets | | | |
| i. Trade receivables | 7 | 2,581 | 2,084 |
| ii. Cash and cash equivalents | 8 | 207 | 29 |
| iii. Bank Balances other than (ii) above | 9 | 73 | 80 |
| iv. Other financial assets | 4 | 247 | 304 |
| Other current assets | 10 | 1,199 | 723 |
| Current Tax assets (Net) | 21 | 52 | 102 |
| Total current assets | | 7,301 | 7,141 |
| Total Assets | | 92,642 | 93,865 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 11 | 2,937 | 2,937 |
| Other equity | 12 | 38,177 | 39,368 |
| Total equity | | 41,114 | 42,305 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 13 | 35,445 | 35,445 |
| ii. Lease liabilities | | 21 | 37 |
| Provisions | 14 | 139 | 122 |
| Deferred tax liabilities (net) | 15 | 1,505 | 2,189 |
| Government grants | 16 | - | 5 |
| Total non-current liabilities | | 37,110 | 37,798 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 17 | 627 | 2,120 |
| ii. Lease liabilities | | 3 | 2 |
| iii. Trade payables | | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | 18 | 773 | 271 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,158 | 2,523 |
| iii. Other financial liabilities | 19 | 7,184 | 6,524 |
| Other current liabilities | 20 | 2,584 | 2,277 |
| Provisions | 14 | 82 | 38 |
| Government grants | 16 | 7 | 7 |
| Total current liabilities | | 14,418 | 13,762 |
| Total liabilities | | 51,528 | 51,560 |
| Total equity and liabilities | | 92,642 | 93,865 |
| Material Accounting Policies | 1 | | |

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May, 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

V. Valliammai
Director
(DIN: 01197421)

Gopal Perumal
Director
(DIN: 06630431)

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Place : Chennai
Date: 27th May, 2024

Standalone Statement of Profit and Loss

All amounts in INR Lakhs unless otherwise stated

| Particulars | Note | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|----------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 22 | 45,942 | 42,218 |
| Other income | 23 | 33 | 41 |
| Total income | | 45,975 | 42,259 |
| Expenses | | | |
| Cost of materials consumed | 24 | 4,455 | 4,396 |
| Purchase of stock-in-trade | | 8,860 | 4,106 |
| Changes in inventories of finished goods and work-in-progress | 25 | 132 | (693) |
| Employee benefits expense | 26 | 2,248 | 2,404 |
| Finance costs | 27 | 2,709 | 2,840 |
| Depreciation and amortisation expense | 28 | 1,670 | 1,719 |
| Power and fuel | | 16,797 | 19,516 |
| Freight and forwarding expense | | 6,612 | 5,975 |
| Other expenses | 29 | 4,343 | 4,007 |
| Total expenses | | 47,826 | 44,270 |
| Profit/(Loss) before tax | | (1,851) | (2,011) |
| Tax expenses | | | |
| Current Tax | 30 | - | - |
| Deferred tax | | (680) | (119) |
| Total tax expense | | (680) | (119) |
| Profit/(Loss) for the year | | (1,171) | (1,892) |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Remeasurement of post employment benefit obligations | | (25) | 40 |
| Income tax relating to these items | | 5 | (8) |
| Other comprehensive income/(loss) for the year, net of tax | | (20) | 32 |
| Total comprehensive income for the year | | (1,191) | (1,860) |
| Earnings per equity share (Face Value of Rs 10/- each) : | | | |
| Basic earnings per share in Rupees | 39 | (3.99) | (7.27) |
| Diluted earnings per share in Rupees | | (3.99) | (7.27) |
| Material Accounting Policies | 1 | | |

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May, 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Place : Chennai
Date: 27th May, 2024

V. Valliammai
Director
(DIN: 01197421)

Gopal Perumal
Director
(DIN: 06630431)

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

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Standalone Statement of Cash Flows

All amounts in INR Lakhs unless otherwise stated

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Cash flow from operating activities | | |
| Profit/(Loss) before tax | (1,851) | (2,011) |
| Adjustments for | | |
| Depreciation and amortisation expense | 1,670 | 1,719 |
| Provisions for doubtful debts | 14 | 17 |
| Amortisation of government grants | (7) | (7) |
| Amortisation of interest on rental deposit | - | 1 |
| Interest income on rental deposit | - | (1) |
| Finance costs | 2,709 | 2,840 |
| Change in operating assets and liabilities | | |
| (Increase)/Decrease in trade receivables | (511) | 404 |
| (Increase)/Decrease in inventories | 877 | (1,003) |
| Increase/(Decrease) in trade payables | 1,137 | (848) |
| (Increase)/Decrease in other financial assets | 180 | - |
| (Increase)/decrease in other current assets | (508) | 928 |
| Increase/(Decrease) in employee benefit obligations/Provisions | 36 | (21) |
| Increase/(Decrease) in financial liabilities | 321 | 151 |
| Increase/(Decrease) in other current liabilities | 309 | (1,160) |
| Cash generated from operations | 4,376 | 1,009 |
| Income taxes paid | - | (265) |
| Net cash inflow from operating activities | 4,376 | 744 |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment | (321) | (380) |
| Increase / (Decrease) in capital creditors | - | (124) |
| (Increase) / Decrease in capital advances | (6) | 16 |
| Fixed deposits (Increase)/Decrease- (Net) | 7 | 7 |
| Purchase of Investment in subsidiary company | (0) | (9) |
| Net cash outflow from investing activities | (320) | (490) |
| Cash flows from financing activities | | |
| Increase/Decrease in Borrowings (net) | (1,493) | 106 |
| Issuing of Share Capital(including Share Premium) | - | 2,013 |
| Interest paid | (2,370) | (2,356) |
| Payment of lease liabilities | (15) | (72) |
| Dividends paid to company's shareholders | - | (759) |
| Net cash inflow (outflow) from financing activities | (3,878) | (1,068) |
| Net increase (decrease) in cash and cash equivalents | 178 | (814) |
| Cash and cash equivalents at the beginning of the financial year | 29 | 843 |
| Cash and cash equivalents at end of the year | 207 | 29 |

1) Components of cash and cash equivalents

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Balances with banks in current accounts | 207 | 29 |
| Cash on hand | - | - |
| Cash and cash equivalents considered in the cash flow statement | 207 | 29 |

2) The above statement of cashflow has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 "Statement of Cashflow"

3) Reconciliation of liabilities arising from financing activities

| Particulars | Outstanding as at 01 Apr 2023 | Cash flows | Non-Cash Changes | Outstanding as at 31 March 2024 |
|--------------------------|----------------------------------|----------------|---------------------|------------------------------------|
| Inter Corporate Deposits | 35,445 | - | - | 35,445 |
| Loans from banks | 2,120 | (1,493) | - | 627 |
| Total Borrowings | 37,565 | (1,493) | - | 36,072 |

Material Accounting Policies

Note 1

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

As per our report of even date

For and on behalf of the Board

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

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

V. Valliammai
Director
(DIN: 01197421)

Palani Ramkumar
Director
(DIN: 09207219)

C. Kameshwar Rao
Partner
Membership No : 024363

S.B. Nirmalatha
Director
(DIN: 03092392)

Gopal Perumal
Director
(DIN: 06630431)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Place : Hyderabad
Date: 27th May, 2024

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Place : Chennai
Date: 27th May, 2024

Statement of changes in Equity

All amounts in INR Lakhs unless otherwise stated

I) Equity share capital

| Particulars | Note No | Year ended 31st March, 2024 |
|---|---------|-----------------------------|
| Balance as at April 1, 2023 | | 2,937 |
| Add: Changes in equity share capital due to prior period errors | | - |
| Restated balance at the beginning of the year | | 2,937 |
| Changes in equity share capital during the year | 11 | - |
| Balance as at March 31 2024 | | 2,937 |

| Particulars | Note No | Year ended 31st March, 2023 |
|---|---------|-----------------------------|
| Balance as at April 1, 2022 | | 2,529 |
| Add: Changes in equity share capital due to prior period errors | | - |
| Restated balance at the beginning of the year | | 2,529 |
| Changes in equity share capital during the year | 11 | 408 |
| Balance as at March 31, 2023 | | 2,937 |

II) Other equity

| Particulars | Note No | Reserves and surplus | | | |
|------------------------------------|---------|----------------------|-----------------|-------------------|---------------|
| | | Securities Premium | General Reserve | Retained earnings | Total |
| Balance as at April 1, 2023 | | 14,456 | 500 | 24,412 | 39,368 |
| Profit/(Loss) for the year | 12 | - | - | (1,171) | (1,171) |
| Other comprehensive income | 12 | - | - | (20) | (20) |
| Balance as at March 31 2024 | | 14,456 | 500 | 23,221 | 38,177 |

| Particulars | Note No | Reserves and surplus | | | |
|---|---------|----------------------|-----------------|-------------------|---------------|
| | | Securities Premium | General Reserve | Retained earnings | Total |
| Balance as at April 1, 2022 | | 6,810 | 500 | 27,031 | 34,341 |
| Profit/(Loss) for the year | 12 | - | - | (1,892) | (1,892) |
| Other comprehensive income | 12 | - | - | 32 | 32 |
| Rights Issue | | 7,646 | | | 7,646 |
| Transactions with owners in their capacity as owners | 35(b) | | | | - |
| Dividends paid | | - | - | (759) | (759) |
| Balance as at March 31, 2023 | | 14,456 | 500 | 24,412 | 39,368 |

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May, 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

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Chief Financial Officer
PAN: ADMPD3180B

Place : Chennai
Date: 27th May, 2024

V. Valliammai
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Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Notes to Accounts

Note 1. Material Accounting Policies And Other Information

A. Company Information:

Anjani Portland Cement Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at-#6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad Telangana, 500 082, India.

The Company manufactures high quality premium cement. The Company has manufacturing plant located at Chintalapalem, Suryapeta District, Telangana. The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), in India.

B. Material Accounting Policies:

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

i. Basis of Preparation and Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013, ("Act") and other relevant provisions of the Act.

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

The financial statements are approved for issue by the Company's Board of Directors on 27th May, 2024.

ii. Use of estimates

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

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

iii. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, rebates and trade discounts.

Sale of products:

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

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

iv. Property, Plant and Equipment

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

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

v. Depreciation

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

vi. Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

vii. Borrowings

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

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

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

viii. Inventories

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

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

ix. Employee benefits**i) Short term obligations:**

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

ii) Other long term employee benefit:

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

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

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

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

a) Gratuity obligation:

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

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

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

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

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

b) Provident fund

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

iv) Bonus plans:

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

x. **Financial instruments:**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

(i) **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments

which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

- (iv) The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and unsecured loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Derecognition of financial instruments

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. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

Offsetting financial instruments

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

xi. **Income tax**

Tax expense comprises of current and deferred taxes.

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

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

xii. Provisions and contingent liabilities

i) Provision:

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

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

ii) Contingent liabilities:

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

xiii. Government Grants

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

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

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

xiv. Earnings Per Share

The basic earnings per share is computed by dividing the profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xv. Segment reporting

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

xvi. Cash and Cash equivalents

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

xvii. Trade receivables

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

xviii. Trade payables

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

xix. Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

xx. Recent accounting announcements

There is no such notification applicable from April 1, 2024.

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|------------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deletions / Adjustments | As at March 31, 2024 | As at April 1, 2023 | Depreciation for the year | Deletions | As at March 31, 2024 | As at March 31, 2024 |
| Land - freehold | 1,356 | - | - | 1,356 | 7 | - | - | 7 | 1,350 |
| Building | 3,808 | 18 | - | 3,825 | 748 | 108 | - | 856 | 2,970 |
| Plant and equipment | 26,701 | 38 | - | 26,739 | 13,765 | 1,532 | - | 15,297 | 11,442 |
| Furniture and fixtures | 25 | 1 | - | 25 | 15 | 1 | - | 16 | 9 |
| Office equipment | 126 | - | - | 126 | 93 | 12 | - | 104 | 22 |
| Vehicles | 9 | - | - | 9 | 9 | 0 | - | 9 | - |
| Total | 32,024 | 57 | - | 32,081 | 14,636 | 1,653 | - | 16,289 | 15,793 |

Note - 2b : Other intangible assets

| Asset Description | Gross carrying amount | | | | Accumulated Amortisation | | | | Net carrying amount |
|-------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deletions / Adjustments | As at March 31, 2024 | As at April 1, 2023 | Amortisation for the year | Deletions | As at March 31, 2024 | As at March 31, 2024 |
| Computer software | | | | | | | | | |
| - Acquired | 13 | - | - | 13 | 12 | - | - | 12 | 1 |
| Total | 13 | - | - | 13 | 12 | - | - | 12 | 1 |

Note - 2c : Capital work in progress

| | | | | | | | | | |
|--------------------------|----|-----|---|-----|---|---|---|---|-----|
| Capital work in progress | 17 | 263 | - | 280 | - | - | - | - | 280 |
| | 17 | 263 | - | 280 | - | - | - | - | 280 |

CWIP AGEING SCHEDULE

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | |
| Projects in progress | 276 | 4 | - | - | 280 |

Notes: Refer to note 37 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|------------------------|-----------------------|------------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deletions / Adjustments | As at March 31, 2023 | As at April 1, 2022 | Depreciation for the year | Deletions | As at March 31, 2023 | As at March 31, 2023 |
| Land - freehold | 1,282 | 74 | - | 1,356 | 6 | 1 | - | 7 | 1,350 |
| Building | 3,653 | 154 | - | 3,808 | 642 | 106 | - | 748 | 3,060 |
| Plant and equipment | 26,473 | 228 | - | 26,701 | 12,226 | 1,539 | - | 13,765 | 12,936 |
| Furniture and fixtures | 25 | - | - | 25 | 13 | 2 | - | 15 | 10 |
| Office equipment | 79 | 47 | - | 126 | 66 | 27 | - | 93 | 33 |
| Vehicles | 9 | - | - | 9 | 8 | 1 | - | 9 | - |
| Total | 31,521 | 504 | - | 32,024 | 12,961 | 1,676 | - | 14,636 | 17,389 |

Note - 2b : Other intangible assets

| Asset Description | Gross carrying amount | | | | Accumulated Amortisation | | | | Net carrying amount |
|-------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deletions / Adjustments | As at March 31, 2023 | As at April 1, 2022 | Amortisation for the year | Deletions | As at March 31, 2023 | As at March 31, 2023 |
| Computer software | | | | | | | | | |
| - Acquired | 13 | - | - | 13 | 12 | - | - | 12 | 1 |
| Total | 13 | - | - | 13 | 12 | - | - | 12 | 1 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 2c : Capital work in progress

| | | | | | | | | | |
|--------------------------|-----|---|-----|----|---|---|---|---|----|
| Capital work in progress | 141 | - | 124 | 17 | - | - | - | - | 17 |
| | 141 | - | 124 | 17 | - | - | - | - | 17 |

CWIP AGEING SCHEDULE

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | |
| Projects in progress | 17 | - | - | - | 17 |

Notes: Refer to note 37 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Note - 3 : Investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Investments in Equity Instruments (unquoted) | | |
| <i>Investments in Subsidiary</i> | | |
| Bhavya Cements Private Limited 13,11,13,971 (PY 13,11,13,971) equity shares of face value of Rs. 10 each | 68,672 | 68,672 |
| Total | 68,672 | 68,672 |
| Aggregate amount of un-quoted investments | 68,672 | 68,672 |
| Aggregate amount of impairment in value of investments | - | - |

Note - 4 : Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Non-current | | |
| Unsecured, considered good | | |
| Security deposits | 8 | 7 |
| Fixed Deposits with banks with maturity greater than 12 Months * | 158 | 283 |
| Total | 166 | 290 |
| *Represents margin money deposits against Bank Guarantees | | |
| Current | | |
| Security deposits | 28 | 29 |
| DIC Claim receivable | 201 | 201 |
| Interest Receivable | 18 | 74 |
| Total | 247 | 304 |

Note - 5 : Other non-current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|----------------------|----------------------|
| Capital advances | 284 | 278 |
| Balances with government authorities | 120 | 38 |
| Total | 404 | 316 |

Note - 6 : Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| (Valued at lower of cost and net realisable value) | | |
| Raw materials | 161 | 146 |
| Work-in-progress | 757 | 855 |
| Finished goods | 435 | 469 |
| Coal and fuel | 448 | 1,250 |
| Packing materials | 182 | 201 |
| Stores and spares | 959 | 898 |
| Total | 2,942 | 3,819 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 7: Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Trade receivables considered good - secured | 651 | 483 |
| b) Trade receivables considered good - unsecured | | |
| From Related Parties | 8 | 1 |
| From Others | 2,108 | 1,771 |
| c) Trade receivables which have significant increase in credit risk | - | - |
| d) Trade receivables - credit impaired | - | - |
| Less: Allowance for expected credit losses | (186) | (171) |
| Total | 2,581 | 2,084 |

As at March 31, 2024

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | |
|---|--------------|--|----------------------|-----------|--------------|----------------------|--------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,932 | 389 | 47 | 67 | 66 | 45 | 2,546 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk Pul | - | - | - | 2 | 18 | 201 | 221 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Less: Expected Credit Losses | (11) | (2) | (2) | (6) | (42) | (123) | (186) |
| Total | 1,921 | 387 | 45 | 63 | 42 | 123 | 2,581 |

As at March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | |
|--|--------------|--|----------------------|------------|--------------|----------------------|--------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,131 | 608 | 115 | 97 | 78 | - | 2,029 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | 6 | 14 | 206 | - | 226 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Less: Expected Credit Losses | - | (9) | (7) | (8) | (147) | - | (171) |
| Total | 1,131 | 599 | 114 | 102 | 138 | - | 2,084 |

Note - 8 : Cash and cash equivalents

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------|-------------------------|-------------------------|
| Balances with banks | | |
| - in current accounts | 207 | 29 |
| Cash on hand | - | - |
| Total | 207 | 29 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|-------------------------|
| Balances with banks | | |
| Term deposits | 2 | 2 |
| in earmarked accounts * | 71 | 78 |
| Total | 73 | 80 |

* Represents amounts in unpaid dividend accounts

Note - 10 : Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Advances other than capital advances | | |
| Supplier advances | 919 | 379 |
| Balances with government authorities | 224 | 300 |
| Prepaid Expenses | 56 | 44 |
| Total | 1,199 | 723 |

Note - 11 : Equity share capital

Authorised equity share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 4,30,00,000 (PY 4,30,00,000) equity shares of Rs.10/- each | 4,300 | 4,300 |
| Total | 4,300 | 4,300 |

Authorised preference share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 19,00,00,000 (PY 19,00,00,000) preference shares of Rs.10/- each | 19,000 | 19,000 |
| Total | 19,000 | 19,000 |

Issued,Subscribed and Fully paid up equity share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 2,93,74,764 (PY (PY 2,93,74,764) equity shares of Rs.10/- each | 2,937 | 2,937 |
| Total | 2,937 | 2,937 |

(i) Movements in equity share capital

| Particulars | No. of shares | Amount |
|-------------------------------------|--------------------|--------------|
| Balance as at March 31, 2022 | 2,52,85,696 | 2,529 |
| Add : Issue of shares | 40,89,068 | 408 |
| Balance as at March 31, 2023 | 2,93,74,764 | 2,937 |
| Balance as at March 31, 2023 | 2,93,74,764 | 2,937 |
| Movement during the year | - | - |
| Balance as at March 31, 2024 | 2,93,74,764 | 2,937 |

Terms and rights attached to equity shares

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

(ii) Shares of the company held by holding company

| Particulars | Balance as at March 31, 2024 | | Balance as at March 31, 2023 | |
|--|------------------------------|--------------|------------------------------|--------------|
| | Number of shares | Amount | Number of shares | Amount |
| Chettinad Cement Corporation Private Limited | 2,20,31,071 | 2,203 | 2,20,31,071 | 2,203 |
| | 2,20,31,071 | 2,203 | 2,20,31,071 | 2,203 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

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

| Particulars | Balance as at March 31, 2024 | | Balance as at March 31, 2023 | |
|---|------------------------------|------------|------------------------------|------------|
| | Number of shares | % holding | Number of shares | % holding |
| Chettinad Cement Corporation Private Limited, Holding Company | 2,20,31,071 | 75% | 2,20,31,071 | 75% |
| Total | 2,20,31,071 | 75% | 2,20,31,071 | 75% |

Promoter's Shareholding

Year ended March 31, 2024

| Shares held by promoters at the end of the year | | | % Change During the Year |
|---|--------------------|-------------------|--------------------------|
| Promoter Name | No. of Shares | % of Total Shares | |
| Chettinad Cement Corporation Private Limited | 2,20,31,071 | 75 | - |
| Total | 2,20,31,071 | 75 | |

Year ended March 31, 2023

| Shares held by promoters at the end of the year | | | % Change During the Year |
|---|--------------------|-------------------|--------------------------|
| Promoter Name | No. of Shares | % of Total Shares | |
| Chettinad Cement Corporation Private Limited | 2,20,31,071 | 75 | 16.17 |
| Total | 2,20,31,071 | 75 | |

Note - 12 : Other Equity

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------|----------------------|----------------------|
| Securities premium | 14,456 | 14,456 |
| General reserve | 500 | 500 |
| Retained earnings | 23,221 | 24,412 |
| Total | 38,177 | 39,368 |

a) Securities premium

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Opening balance | 14,456 | 6,810 |
| Additions during the year | | |
| - on account of Rights Issue | - | 7,646 |
| Deductions/Adjustments during the year | - | - |
| Closing balance | 14,456 | 14,456 |

b) General reserve

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Opening balance | 500 | 500 |
| Additions during the year | - | - |
| Deductions/Adjustments during the year | - | - |
| Closing balance | 500 | 500 |

c) Retained earnings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Opening balance | 24,412 | 27,031 |
| Net profit/(loss) for the year | (1,171) | (1,892) |
| - Remeasurements of post-employment benefit obligation, net of tax | (20) | 32 |
| Appropriations | | |
| - Dividend | - | (759) |
| Closing balance | 23,221 | 24,412 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Nature and purpose of other reserves

(i) Securities premium

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

(ii) General reserve

This reserve is used to record the transfers made from the retained earnings and was made on account of the requirements of the Companies Act, 2013 for payment of dividends.

(iii) Retained Earnings

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

Note - 13 : Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Un-Secured Loans | | |
| Inter Corporate Deposits from Related Party | 35,445 | 35,445 |
| Total | 35,445 | 35,445 |

Un-secured loan from related party represents loan from holding company which carries interest rate of 7% repayable on or before 31st March, 2026.

Note - 14 : Provisions

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|-------------------------------------|----------------------|-------------|------------|----------------------|-------------|------------|
| | Current | Non-current | Total | Current | Non-current | Total |
| Employee benefit obligations | | | | | | |
| Compensated absences | 28 | 81 | 109 | 28 | 71 | 99 |
| Gratuity | 44 | 48 | 92 | - | 42 | 42 |
| Superannuation | 10 | - | 10 | 10 | - | 10 |
| Others | | | | | | |
| De-commissioning Liability | - | 10 | 10 | - | 10 | 10 |
| Total | 82 | 139 | 221 | 38 | 122 | 160 |

(i) Compensated absences

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Current compensated absences expected to be settled within the next 12 months | 28 | 28 |

(ii) Post-employment obligations - gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India.

(iii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the year towards defined contribution plan is INR 127 Lakhs (March 31, 2023 - INR 121 Lakhs).

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Gratuity

| Particulars | Present value of obligation | Fair value of plan assets | Net amount |
|--|-----------------------------|---------------------------|-------------|
| April 1, 2023 | 622 | (581) | 41 |
| Current service cost | 47 | - | 47 |
| Interest expense/(income) | 45 | - | 45 |
| Total amount recognised in profit or loss | 92 | - | 92 |
| <i>Remeasurements</i> | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | (41) | (41) |
| (Gain)/loss from change in financial assumptions | 23 | - | 23 |
| Experience (gains)/losses | 2 | (6) | (4) |
| Total amount recognised in other comprehensive income | 25 | (47) | (22) |
| Employer contributions | - | (20) | (20) |
| Benefit payments | (100) | 100 | - |
| March 31, 2024 | 639 | (548) | 91 |

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Present value of funded obligations | 639 | 622 |
| Fair value of plan assets | (548) | (581) |
| Deficit (Excess) of funded plan | 91 | 41 |

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------|----------------|----------------|
| Discount rate | 7% | 7% |
| Salary growth rate | 8% | 8% |

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

(v) Sensitivity analysis

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

| Particulars | Key assumptions | Defined benefit obligation | | | |
|--------------------|-----------------|----------------------------|----------------|---------------------------|----------------|
| | | Increase in assumption by | | Decrease in assumption by | |
| | | Rate | March 31, 2024 | Rate | March 31, 2024 |
| Discount rate | 7.20% | 1% | 486 | 1% | 599 |
| Attrition rate | 2.50% | 1% | 540 | 1% | 538 |
| Salary growth rate | 8.00% | 1% | 583 | 1% | 496 |

| Particulars | Key assumptions | Defined benefit obligation | | | |
|--------------------|-----------------|----------------------------|----------------|---------------------------|----------------|
| | | Increase in assumption by | | Decrease in assumption by | |
| | | Rate | March 31, 2023 | Rate | March 31, 2023 |
| Discount rate | 7.30% | 1% | 531 | 1% | 638 |
| Attrition rate | 2.50% | 1% | 581 | 1% | 580 |
| Salary growth rate | 8.00% | 1% | 623 | 1% | 539 |

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

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

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

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

| Particulars | March 31, 2024 Unquoted | March 31, 2023 Unquoted |
|---------------------------------------|----------------------------|----------------------------|
| Investment funds (Investments in LIC) | 548 | 581 |
| Total | 548 | 581 |

(vii) **Risk exposure**

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

Investment risks:

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

Interest risks:

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

Longevity risks (Life expectancy):

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

Salary risks:

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

Note - 15 : Deferred tax liabilities(net)

The balance comprises temporary differences attributable to:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Deferred tax liabilities | | |
| On account of depreciation and amortisation on Property Plant and Equipment and intangible assets | 2,137 | 2,314 |
| Total deferred tax liabilities | 2,137 | 2,314 |
| Deferred tax assets | | |
| Provision for employee benefits | (48) | (38) |
| Provision for doubtful debts | (47) | (43) |
| Other Adjustments | (537) | (44) |
| Deferred tax liabilities(net) | 1,505 | 2,189 |

Movement in deferred tax liabilities/(assets)

| Particulars | On account of depreciation and amortisation on Property Plant and Equipment and intangible assets | Provision for employee benefits | Provision for doubtful debts | Other Adjustments | Total |
|---------------------------------|---|---------------------------------|------------------------------|-------------------|--------------|
| At March 31, 2023 | 2,314 | (38) | (43) | (44) | 2,189 |
| (Charged)/credited: | | | | | |
| - to profit or (loss) | (177) | (15) | (4) | 1 | (195) |
| - to other comprehensive income | - | 5 | - | - | 5 |
| - to current tax liabilities | - | - | - | - | - |
| - Profit and (Loss) | - | - | - | (494) | (494) |
| As at March 31, 2024 | 2,137 | (48) | (47) | (537) | 1,505 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

| Deferred tax liabilities(net) | Movement in deferred tax liabilities/ (assets) | - to profit or (loss) | - to other comprehensive income | - to current tax liabilities | Total |
|---------------------------------|--|-----------------------|---------------------------------|------------------------------|-------|
| At March 31, 2022 | 2,424 | (33) | (39) | (52) | 2,300 |
| (Charged)/credited: | | | | | |
| - to profit or loss | (110) | (13) | (4) | 8 | (119) |
| - to other comprehensive income | - | 8 | - | - | 8 |
| - to current tax liabilities | - | - | - | - | - |
| At March 31, 2023 | 2,314 | (38) | (43) | (44) | 2,189 |

Note - 16 : Government Grants

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| Opening balance | 12 | 19 |
| Less: Released to profit or (loss) | (5) | (7) |
| Closing balance | 7 | 12 |
| Current portion | 7 | 7 |
| Non-current portion | - | 5 |
| Total | 7 | 12 |

Note - 17 : Current borrowings

| Particulars | Maturity date | Terms of repayment | Coupon/ Interest rate | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------|--------------------|-----------------------|----------------------|----------------------|
| Secured | | | | | |
| From banks | | | | | |
| Bank overdrafts | Payable on demand | Payable on demand | 8.78% | 627 | 2,120 |
| Current maturities of long term debt | | | | - | - |

The borrowings are secured as follows;

- Bank Overdraft, HDFC Bank Limited is secured under hypothecation by way of first pari-passu charge on current assets of the Company.
- The carrying amount of financial and non-financial assets pledged as security for current borrowings are disclosed in Note 41.

Note - 18 : Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Dues to micro and small enterprises | 773 | 271 |
| Dues to other than micro and small enterprises | 3,158 | 2,523 |
| Total | 3,931 | 2,794 |

As at March 31, 2024

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--------------|--|-----------|-----------|-------------------|--------------|
| | | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| i) MSME | 773 | - | - | - | - | 773 |
| ii) Others | 2,450 | 574 | 40 | 94 | - | 3,158 |
| iii) Disputed Dues-MSME | - | - | - | - | - | - |
| iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 3,223 | 574 | 40 | 94 | - | 3,931 |

As at March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--------------|--|-----------|------------|-------------------|--------------|
| | | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| i) MSME | 271 | - | - | - | - | 271 |
| ii) Others | 2,239 | 113 | 11 | 161 | - | 2,523 |
| iii) Disputed Dues-MSME | - | - | - | - | - | - |
| iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 2,510 | 113 | 11 | 161 | - | 2,794 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 19 : Other financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|-------------------------|-------------------------|
| Interest accrued and due on ICD | 1,939 | 1,600 |
| Deposits from dealers | 2,404 | 2,082 |
| Expenses payable | 158 | 151 |
| Unpaid dividends* | 70 | 78 |
| Deferred Consideration-Liability | 2,613 | 2,613 |
| Total | 7,184 | 6,524 |

Note : * There are no amounts due to be remitted to Investor Education and Protection Fund out of these amounts.

Note - 20 : Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|-------------------------|
| Advances from customers | 1,446 | 1,139 |
| Statutory dues | 453 | 667 |
| Others | 685 | 471 |
| Total | 2,584 | 2,277 |

Note - 21 : Current tax Assets (net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for income-tax (net of advance tax and TDS) | 52 | 102 |
| Total | 52 | 102 |

Note - 22 : Revenue from operations

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-------------------------------|------------------------------|------------------------------|
| Sale of manufactured products | | |
| - Cement | 36,955 | 36,908 |
| - Power | - | 692 |
| Sale of traded products | 8,861 | 4,618 |
| Other operating revenue | 126 | - |
| Total | 45,942 | 42,218 |

22.1: Disaggregated Revenue Disclosures are not applicable to the Company since the Company deals mainly in one product i.e., manufacturing and selling of Cement.

22.2: Trade Receivables and Contract Balances

- The Company classifies the right to consideration in exchange for deliverables as receivable.
- A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.

22.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.

Note - 23 : Other income

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Interest income on deposits with banks | 9 | 19 |
| Interest income from financial assets at amortised cost | - | 2 |
| Government grants * | 7 | 7 |
| Others | 17 | 13 |
| Total | 33 | 41 |

*Government grants relates to the capital subsidy and power subsidy received for investment in property, plant and equipment. There are no unfulfilled conditions or other contingencies attached to these grants.

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 24 : Cost of material consumed

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------|------------------------------|------------------------------|
| Raw materials consumed: | | |
| i) Limestone | 2,932 | 2,677 |
| ii) Gypsum | 595 | 546 |
| iii) Fly ash | 747 | 792 |
| iv) Granulated slag | 147 | 349 |
| v) Laterite | 34 | 32 |
| Total | 4,455 | 4,396 |

Note - 25 : Changes in inventories of finished goods and work-in-progress

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Opening balance | | |
| Finished goods | 469 | 223 |
| Work-in-progress | 855 | 408 |
| Total opening balance (A) | 1,324 | 631 |
| Closing balance | | |
| Finished goods | 435 | 469 |
| Work-in-progress | 757 | 855 |
| Total closing balance (B) | 1,192 | 1,324 |
| Total Changes in inventories of finished goods and work-in-progress (A-B) | 132 | (693) |

Note - 26 : Employee benefits expense

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Salaries, wages and bonus | 1,992 | 2,141 |
| Contribution to provident and other funds | 127 | 121 |
| Gratuity | 43 | 62 |
| Compensated absences | 31 | 19 |
| Staff welfare expenses | 55 | 61 |
| Total | 2,248 | 2,404 |

Note - 27 : Finance costs

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest and finance charges on financial liabilities calculated using effective interest rate | 221 | 314 |
| Interest on Inter-corporate Deposits | 2,488 | 2,524 |
| Other Borrowing Costs | - | 2 |
| Total | 2,709 | 2,840 |

Note - 28 : Depreciation and amortisation expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Depreciation of property, plant and equipment | 1,653 | 1,676 |
| Depreciation on Right-of-use Assets | 17 | 43 |
| Total | 1,670 | 1,719 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 29 : Other expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Consumption of stores and spares | 1,172 | 938 |
| Packing materials | 1,118 | 1,299 |
| Repairs and maintenance | | |
| Repairs and maintenance - building | 13 | 11 |
| Repairs and maintenance - plant and machinery | 775 | 743 |
| Repairs and maintenance - others | 46 | 66 |
| Communication expenses | 5 | 6 |
| Rent | 22 | 25 |
| Rates and taxes | 86 | 283 |
| Travel and conveyance | 102 | 92 |
| Printing and stationery | 6 | 7 |
| Professional charges | 156 | 106 |
| Payment to Auditors | 11 | 13 |
| Insurance | 76 | 78 |
| Provision for doubtful debts | 14 | 17 |
| Selling and marketing expenses | 579 | 65 |
| Misc. expenses | 117 | 88 |
| Corporate social responsibility expenses | 22 | 143 |
| PPE written off | | |
| Others | 23 | 27 |
| Total | 4,343 | 4,007 |

Details of payments to auditors

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Payment to auditors | | |
| As auditors: | | |
| Statutory Audit fee(including Quarterly Limited Review) | 9 | 8 |
| Tax audit fee | 2 | 2 |
| Others (Including Rights Issue Certification charges) | - | 3 |
| Total | 11 | 13 |

Note - 30 : Income tax expense

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| (a) Income tax expense | | |
| <i>Current tax</i> | | |
| Current tax on profits for the year | - | - |
| Adjustments for current tax of prior periods | - | - |
| Total current tax expense | - | - |
| <i>Deferred tax</i> | | |
| Decrease/(increase) in deferred tax assets | (508) | (1) |
| (Decrease)/increase in deferred tax liabilities | (177) | (118) |
| Total deferred tax expense/(benefit) | (685) | (119) |
| Income tax expense | (685) | (119) |

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Profit/(Loss) before income tax expense | (1,851) | (2,011) |
| Tax at the Indian tax rate of 25.168% | - | - |
| Reduction in Deferred Tax due to adoption of reduced corporate tax rate under section 115 BAA of Income Tax Act 1961 | - | - |
| Tax credits for which no deferred income tax was recognised | - | - |
| Prior period tax expense | - | - |
| Other items | - | - |
| Income tax expense | - | - |

Notes to Accounts



All amounts in INR lakhs unless otherwise stated

Note - 31 : Fair value measurements

Financial instruments by category

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|--|----------------------|-------|----------------|----------------------|-------|----------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial assets | | | | | | |
| Investments (other than investments in subsidiaries) | - | - | - | - | - | - |
| Trade receivables | - | - | 2,581 | - | - | 2,084 |
| Cash and cash equivalents | - | - | 207 | - | - | 29 |
| Bank Balances other than cash and cash equivalents | - | - | 73 | - | - | 80 |
| Loans | - | - | - | - | - | - |
| Other financial assets | - | - | 414 | - | - | 595 |
| Total financial assets | - | - | 3,275 | - | - | 2,788 |
| Financial liabilities | | | | | | |
| Borrowings | - | - | 36,072 | - | - | 37,565 |
| Lease Liability | - | - | 24 | - | - | 39 |
| Trade payables | - | - | 3,931 | - | - | 2,794 |
| Others | - | - | 7,184 | - | - | 6,524 |
| Total financial liabilities | - | - | 47,211 | - | - | 46,922 |

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2024 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|-------|---------|---------|---------------|---------------|
| Financial assets | | | | | |
| Trade receivables | | - | - | 2,581 | 2,581 |
| Cash and cash equivalents | | - | - | 207 | 207 |
| Bank Balances other than cash and cash equivalents | | - | - | 73 | 73 |
| Security deposits | 4 | - | - | 414 | 414 |
| Total financial assets | | - | - | 3,275 | 3,275 |
| Financial Liabilities | | | | | |
| Borrowings | 20 | - | - | 36,072 | 36,072 |
| Lease Liabilities | 40 | - | - | 24 | 24 |
| Trade payables | 18 | - | - | 3,931 | 3,931 |
| Others | 19 | - | - | 7,184 | 7,184 |
| Total financial liabilities | | - | - | 47,211 | 47,211 |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2023 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial assets | | | | | |
| Trade receivables | | - | - | 2,084 | 2,084 |
| Cash and cash equivalents | | - | - | 29 | 29 |
| Bank Balances other than cash and cash equivalents | | - | - | 80 | 80 |
| Security deposits/Other Financial Assets | 4 | - | - | 595 | 595 |
| Loans to employees | 10 | - | - | - | - |
| Total financial assets | | - | - | 2,788 | 2,788 |
| Financial Liabilities | | | | | |
| Borrowings | 13 & 17 | - | - | 37,565 | 37,565 |
| Lease Liabilities | 40 | - | - | 39 | 39 |
| Trade payables | 18 | - | - | 2,794 | 2,794 |
| Others | 19 | - | - | 6,524 | 6,524 |
| Total financial liabilities | | - | - | 46,922 | 46,922 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation processes

Fair value of financial assets and liabilities measured at amortised cost

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|-------------------------|---------------|-------------------------|---------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| Loans | - | - | - | - |
| Security deposits/Other Financial Assets | 414 | 414 | 595 | 595 |
| Total financial assets | 414 | 414 | 595 | 595 |
| Financial Liabilities | | | | |
| Borrowings | 36,072 | 36,072 | 37,565 | 37,565 |
| Lease Liability | 24 | 24 | 39 | 39 |
| Total financial liabilities | 36,096 | 36,096 | 37,604 | 37,604 |

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note - 32 : Financial risk management

The company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

| Risk | Exposure arising from | Measurement | Management |
|--------------------------------|--|--------------------------------|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost. | Ageing analysis Credit ratings | Diversification of bank deposits, credit limits and letters of credit |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign exchange | Recognised financial liabilities not denominated in Indian rupee (INR) | Sensitivity analysis | Availability of committed credit lines and borrowing facilities |
| Market risk - interest rate | Long-term and Short-term borrowings at variable interest rates. | Sensitivity analysis | Availability of committed credit lines and borrowing facilities |

The company's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

(i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment.
- External credit rating (as far as available).
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

| Internal rating | Category | Description of Category | Basis of recognition of expected credit loss provision | |
|-----------------|---|---|--|--|
| | | | Loans and security deposits | Trade receivables |
| VL 1 | High-quality assets, negligible credit risk | Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil. | 12-month expected credit losses | Life-time expected credit losses (simplified approach) |
| VL 2 | Quality assets, low credit risk | Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past. | | |
| VL 3 | Standard assets, moderate credit risk | Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong. | | |
| VL 4 | Substandard assets, relatively high credit risk | Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due. | Life-time expected credit losses | |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

| Internal rating | Category | Description of Category | Basis of recognition of expected credit loss provision | |
|-----------------|---|---|--|-------------------|
| | | | Loans and security deposits | Trade receivables |
| VL 5 | Low quality assets, very high credit risk | Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counterparty has increased significantly though payments may not be more than 60 days past due. | | |
| VL 6 | Doubtful assets, credit-impaired | Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. | Assets being written off | |

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Year ended 31 March 2024:

- (a) Expected credit loss for loans and security deposits:

| Particulars | | Asset group | Internal credit rating | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|--|-----------------------------|------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans and Security deposits | VL 1 | 36 | 0% | - | 36 |

- (b) Expected credit loss for trade receivables under simplified approach:

| Ageing | 0 to 180 | 181 to 365 | 366 to 730 | > 731 | Total |
|---|--------------|------------|------------|------------|--------------|
| Gross carrying amount | 2,321 | 47 | 69 | 330 | 2,767 |
| Expected loss rate | 0.50% | 5.00% | 10.00% | 50.00% | - |
| Expected credit losses (Loss allowance provision) | 12 | 2 | 7 | 165 | 186 |
| Provision carried in books # | 12 | 2 | 7 | 165 | 186 |
| Carrying amount of trade receivables (net of impairment) | 2,309 | 45 | 63 | 164 | 2,581 |

Anjani Portland Cement Ltd.

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All amounts in INR lakhs unless otherwise stated

Year ended 31 March 2023:

- (a) Expected credit loss for loans and security deposits:

| Particulars | | Asset group | Internal credit rating | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|--|-----------------------------|------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans and Security deposits | VL 1 | 36 | 0% | - | 36 |

- (b) Expected credit loss for trade receivables under simplified approach:

| Ageing | 0 to 180 | 181 to 365 | 366 to 730 | > 731 | Total |
|---|--------------|------------|------------|------------|--------------|
| Gross carrying amount | 1,739 | 120 | 111 | 284 | 2,254 |
| Expected loss rate | 0.50% | 5.00% | 10.00% | 50.00% | - |
| Expected credit losses (Loss allowance provision) | 9 | 6 | 11 | 142 | 168 |
| Provision carried in books # | 9 | 7 | 8 | 147 | 171 |
| Carrying amount of trade receivables (net of impairment) | 1,730 | 113 | 103 | 138 | 2,084 |

Provision carried in books include provision made on specific identification.

- (iii) **Reconciliation of loss allowance provision- Loans and deposits**

There are no loss allowance provision created for the loans and deposits.

- (iv) **Reconciliation of loss allowance provision – Trade receivables**

| | |
|--|------------|
| Loss allowance on 1 April 2023 | 171 |
| Changes in loss allowance | 15 |
| Loss allowance on 31 March 2024 | 186 |

- (B) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The funding sources of the Company include short-term working capital loans from banks.

- (i) **Financing arrangements**

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Floating rate | | |
| - Expiring within one year (bank overdraft) | 2,373 | 880 |
| - Expiring beyond one year (bank loans) | - | - |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

- (ii) **Maturities of financial liabilities**

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Contractual maturities of financial liabilities:

| Particulars | Less than 3 months | 3 months to 6 months | 6 months to 1 year | Between 1 and 2 years | Between 2 and 5 years | Total |
|---|--------------------|----------------------|--------------------|-----------------------|-----------------------|---------------|
| 31 March 2024 | | | | | | |
| Non-derivatives | | | | | | |
| Borrowings | 627 | - | - | - | 35,445 | 36,072 |
| Lease Liability | 3 | - | - | - | 21 | 24 |
| Trade payables | 3,931 | - | - | - | - | 3,931 |
| Other financial liabilities | 2,562 | 1,939 | - | 2,683 | - | 7,184 |
| Total non-derivative liabilities | 7,123 | 1,939 | - | 2,683 | 35,466 | 47,211 |
| 31 March 2023 | | | | | | |
| Non-derivatives | | | | | | |
| Borrowings | 2,120 | - | - | - | 35,445 | 37,565 |
| Lease Liability | 0 | - | 2 | 11 | 26 | 39 |
| Trade payables | 2,794 | - | - | - | - | 2,794 |
| Other financial liabilities | 2,233 | 1,678 | 2,613 | - | - | 6,524 |
| Total non-derivative liabilities | 7,147 | 1,678 | 2,615 | 11 | 35,471 | 46,922 |

(C) **Market risk**

(i) **Foreign currency risk**

The Company is not exposed to foreign exchange risk arising from foreign currency transactions during the year. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the Company's functional currency (INR).

a) **Foreign currency exposure**

The Company's exposure to foreign currency risk at the end of the current and previous reporting period is Nil.

(ii) **Interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The Company monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavorable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

a) **Interest rate risk exposure**

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|----------------------|----------------------|
| Variable rate borrowings | 627 | 2,120 |
| Fixed rate borrowings | 35,445 | 35,445 |
| Total | 36,072 | 37,565 |

b) **Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact on Profit after tax | |
|--|----------------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Interest rates – increase by 70 basis points * | 7.17 | 14.84 |
| Interest rates – decrease by 70 basis points* | 7.17 | 14.84 |

* Holding all other variables constant

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 33 : Capital management

(a) Risk management

For the purpose of capital management, capital includes issued equity capital attributable to the holding company.

The company's objectives when managing capital are to;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

| Particulars | As at | |
|---------------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Net debt | 36,093 | 37,602 |
| Total equity | 41,114 | 42,306 |
| Net debt to equity ratio | 0.88 | 0.89 |

(i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the Year ended March 31, 2024 and Year ended March 31, 2023

(b) Dividends

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| (i) Equity shares | | |
| Dividend for the year ended March 31, 2024 | - | - |
| Dividend for the year ended March 31, 2023 | - | - |
| (i) Dividends not recognised at the end of the reporting period | | |
| Directors has not recommended any dividend for the Year Ended March 2024 | - | - |

Note - 34 : Segment information

(a) Description of segments and principal activities

The Company has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes. Operating segment disclosures are constant with the information provided to and reviewed by the chief operating decision maker.

| Reportable segment | Product/ Services |
|--------------------|-------------------------------------|
| Cement | Manufacturing and trading of cement |
| Power plant | Generation of power |

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|-------------------------|---------|---------|-------------------------|---------|---------|
| | Cement | Power | Total | Cement | Power | Total |
| Segment revenue | 45,942 | 5,568 | 51,510 | 41,729 | 6,404 | 48,133 |
| Less : Inter segment revenue | - | (5,568) | (5,568) | - | (5,915) | (5,915) |
| Total revenue from operations | 45,942 | - | 45,942 | 41,729 | 489 | 42,218 |
| Segment result (Profit before tax and interest) from each segment | 858 | - | 858 | 666 | 163 | 829 |
| Less : Interest | - | - | (2,709) | - | - | (2,840) |
| Total Profit /(Loss) before tax | - | - | (1,851) | - | - | (2,011) |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

| Capital employed (Segment assets - segment liabilities) | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|----------------------|--------|--------|----------------------|--------|--------|
| | Segment assets | 85,764 | 6,878 | 92,642 | 86,785 | 7,080 |
| Segment liabilities | 51,346 | 182 | 51,528 | 51,455 | 105 | 51,560 |

(b) Major Customers in Cement Segment

15% of Revenue is coming from 9 customers in cement segment.

Note - 35 : Related party transactions

As per Ind AS 24, the disclosure of transactions with the related parties are given below

The related party relationships is as identified by the company and relied upon by the auditor.

(a) Holding company

The Company is controlled by following entity:

| Name of entity | Ownership interest held by the holding entity | | | |
|--|---|---|----------------------|----------------------|
| | Place of Incorporation | Registered Address | As at March 31, 2024 | As at March 31, 2023 |
| Chettinad Cement Corporation Private Limited | India | Chettinad Towers, No.603, Anna Salai, Chennai - 600006, Tamil Nadu, India | 75% | 75% |

(b) Fellow Subsidiaries

| Name of entity | Ownership interest held by the holding entity | | | |
|---|---|---|----------------------|----------------------|
| | Place of Incorporation | Registered Address | As at March 31, 2024 | As at March 31, 2023 |
| Belaire Apartments Private Limited | India | Plot No.18, Block No.1 Rajmahal Vilas, 2nd Stage Bengaluru KA - 560094 IN | 100% | 100% |
| Associated Cement Holdings Private Limited* | India | Chettinad Towers, No.603, Anna Salai, Chennai - 600006, Tamil Nadu, India | 100% | 0% |
| Emerald Property & Power Developers Private Limited** | India | Chettinad Towers, No.603, Anna Salai, Chennai - 600006, Tamil Nadu, India | 57% | 0% |

* During the financial year 2023-24, Associated Cement Holdings Private Limited was a subsidiary of the Chettinad Cement Corporation Private Limited, the holding company of the Company.

** During the financial year 2023-24, Emerald Property & Power Developers Private Limited was a subsidiary of the Chettinad Cement Corporation Private Limited, the holding company of the Company.

(c) Subsidiaries

Bhavya Cements Private Limited, India

(d) Associate Company of Holding Company

| Name of entity | Ownership interest held by the holding entity | | | |
|--|---|---|----------------------|----------------------|
| | Place of Incorporation | Registered Address | As at March 31, 2024 | As at March 31, 2023 |
| Brownstone Minerals & Metals Private Limited | India | Chettinad Towers, No.603, Anna Salai, Chennai - 600006, Tamil Nadu, India | 31% | 0% |
| Vidyut Property & Power Developers Private Limited | India | C 5/2, Vasant Vihar, New Delhi - 110057, India | 28% | 0% |

The Company does not have any associate Company.

(e) Joint ventures in which the company is a joint venturer

The Company does not have any joint venture.

(f) Key management personnel(KMP) of the reporting company and holding company of the reporting company.

Mr. M A M R Muthiah, Managing Director of holding Company

Notes to Accounts



All amounts in INR lakhs unless otherwise stated

Mr. N. Venkat Raju, Managing Director of Reporting Company

Mr.R.S.Ramanjaneyulu, Chief Financial Officer - till 26th September, 2023

Mr.Subhanaryan Muduli, Company Secretary

Mr.Rajesh Kumar Dhoot, Chief Financial Officer - with effect from 1st October, 2023

Mrs. V. Valliammai, Non Executive Director of the Reporting Company

Mrs. S.B Nirmalatha, Non Executive Director of the Reporting Company

Mr. Gopal Perumal, Non Executive Director of the Reporting Company - with effect from 23rd June, 2023

Mr. Palani Ramkumar, Non Executive Director of the Reporting Company - with effect from 11th August, 2023

Mr. R.M.Palaniappan, Non Executive Director of the Reporting Company

Mr. A.Subramanian, Non Executive Director of the Reporting Company - till 22nd Septmeber, 2023

Key management personnel compensation

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Short-term employee benefits | 162 | 134 |
| Post-employment benefits* | 9 | 7 |
| Total compensation | 171 | 141 |

* This does not include gratuity based on actuarial valuation as this is done for the company as a whole

Entities controlled or jointly controlled by a person identified (f) above :

Chettinad Morimura Semiconductor Material Private Limited

Chettinad Inland Water Transport Services Private Limited

Hyderabad Computer and Software Services Private Limited

Chettinad Realtors Private Limited

Chettinad Lignite Transport Services Private Limited

(g) Enterprises who has Common Directors

Chettinad Logistics Private Limited

Chettinad Holdings Private Limited

(h) Transactions with related parties

The following transactions occurred with related parties:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Parent Entity | | |
| Chettinad Cement Corporation Private Limited | | |
| Purchase of goods | 1,821 | 3,881 |
| Sale of goods | 1,173 | 14 |
| Rent Paid | - | 1 |
| Rent Received | 1 | 1 |
| Dividend Paid | - | 569 |
| ICD Interest Paid/Accrued | 2,488 | 2,524 |
| ICD Repaid | - | 8,055 |
| Subsidiary | | |
| Bhavya Cements Private Limited | | |
| Purchase of goods | 9,486 | 228 |
| Sale of goods | 240 | 8 |
| Rent Paid | - | - |
| Rent Received | 1 | - |
| Royalty Received | - | 1 |
| Common Director | | |
| Chettinad Holding Private Limited | 13 | 54 |
| Chettinad Logistics Private Limited | | |
| -Coal Purchase | 2,051 | 411 |
| -Transportation | 263 | 86 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

(i) Outstanding balances arising from sales/purchases of goods and services

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Holding Entity | | |
| Chettinad Cement Corporation Private Limited Receivable against sale of goods | 8 | - |
| Payable against purchase of goods | 190 | 215 |
| Inter Corporate Deposit (Principal and Interest payable) | 37,384 | 37,045 |
| Subsidiary | | |
| Bhavya Cements Private Limited | | |
| Payable against Purchase of goods | (69) | 27 |
| Sale of goods | 15 | - |
| Rental Deposit Received | - | - |
| Rental Deposit Paid | - | - |
| Common Director | | |
| Chettinad Holding Private Limited | - | 6 |
| Chettinad Holding Private Limited - Rental Deposit | 5 | 5 |
| Chettinad Logistics Private Limited | | |
| -Transportation | - | 91 |

Note - 36 : Contingent liabilities and contingent assets

(a) Contingent liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Claims against the Company not acknowledged as debts | | |
| Income tax related | 295 | 295 |
| Excise related * | 180 | 180 |
| Customs related ** | 130 | 130 |
| Others | 95 | 138 |
| Total | 700 | 743 |

*Does not include penalty amount of INR 180.32 Lakhs

**Does not include penalty amount of INR 103.70 Lakhs

During the FY 2020-21, Company has received a notice from Superintendent of Engineer, Southern Power Distribution Company of Telangana Limited, Suryapet purporting to claim and demand Rs.16,95,38,278/- (Rupees Sixteen Crores Ninety Five lakhs Thirty Eight thousand Two hundred and Seventy Eight Only) towards difference in wheeling charges and interest thereon pursuant to the judgment dated 29.11.2019 of the Hon'ble Supreme court. Company has approached to Hon'ble High court of Telangana State, Hyderabad and filed the writ petition on the ground that the demand raised is unauthorized and legally untenable as the Company was not party to any wheeling agreement entered into with transmission/distribution Licensee. The Hon'ble High Court of Telangana has granted stay order to the said demand and hence the demand raised is not considered as contingent liability.

(b) Contingent assets

The Company does not have any contingent assets as at March 31, 2024 and March 31, 2023.

Note - 37: Commitments

Capital commitments (net of capital advances)

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 633 | 415 |
| Other commitments | - | - |
| Total | 633 | 415 |

Notes to Accounts



All amounts in INR lakhs unless otherwise stated

Note - 38 : Other Disclosure

(a) Dues to Micro and Small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year | - | - |
| Principal amount due to micro and small enterprises | 772.91 | 271.32 |
| Interest due on above | - | - |
| ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period | - | - |
| iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | - | - |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

(b) Corporate Social Responsibility (CSR)

Section 135(1) of the Companies Act, 2013 relating to amount to be spend towards Corporate Social Responsibility is not applicable for Financial Year 2023-24.

The Company has spent **INR 21.53 lakhs** during financial year ended 31st March, 2024 towards CSR activities (INR 143 Lakhs in FY 2022-23).

| S. No | Particulars | FY 2023-24 | FY 2022-23 |
|-------|---|---|---|
| 1 | Amount required to be spent by the company during the year | - | 143 |
| 2 | Amount of expenditure incurred | 22 | 143 |
| 3 | Shortfall at the end of the year | - | - |
| 4 | Total of previous years shortfall | - | - |
| 5 | Reason for shortfall | NA | NA |
| 6 | Nature of CSR activities | Promoting Education, Rural Development, Health Care, Hygiene & Sanitation | Promoting Education, Rural Development, Health Care, Hygiene & Sanitation |
| 7 | Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| 8 | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | NA | NA |

Note - 39 : Earnings per share

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Net Profit/(Loss) for the year as per statement of profit & loss | (1,171) | (1,892) |
| Number of shares outstanding at the end of the year | 294 | 294 |
| Weighted average number of equity shares outstanding during the year | 294 | 260 |
| Basic and Diluted earnings per share (Rs.) | (3.99) | (7.27) |
| Face value per share (Rs.) | 10 | 10 |

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Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Reconciliations of earnings and number of shares used in calculating earnings per share

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Basic/Diluted earnings per share | | |
| Profit/(Loss) attributable to equity holders of the company used in calculating basic/diluted earnings per share | (1,171) | (1,892) |
| Weighted average number of Equity Shares outstanding during the period(In Number) | 2,93,74,764 | 2,60,13,886 |
| Profit/(Loss) attributable to equity holders of the company used in calculating basic/diluted earnings per share | (1,171) | (1,892) |

Note - 40 : Leases

Disclosures as per Ind AS 116:

The weighted average incremental borrowing rate applied to lease liabilities is 9 %

in Lakhs

| Particulars | Right of use (ROU)- Building |
|--|------------------------------|
| Opening Balance as on 1 st April 2023 | 39 |
| Add: Additions | 2 |
| Less: Deletions | - |
| Less: Depreciation | 16 |
| Closing Balance as on 31st March 2024 | 25 |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2024

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|-----------------------------|-------------------------------|-------------------------------|
| Current Lease Liability | 3 | 2 |
| Non Current Lease Liability | 21 | 37 |
| Total | 24 | 39 |

The following is the movement in lease liabilities during the year ended March 31, 2024

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| Balance at the beginning | 39 | 208 |
| Additions | 6 | 37 |
| Finance Cost accrued during the period | 3 | 10 |
| Less: Deletion | - | 144 |
| Less: Payment of lease liabilities | 24 | 72 |
| Translation Difference | - | - |
| Balance at the end | 24 | 39 |

The table below provides details regarding the contractual maturities of lease liabilities as at March 31,2024 on an undiscounted basis:

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|----------------------|-------------------------------|-------------------------------|
| Less than one year | - | - |
| One to five years | 28 | 43 |
| More than five years | - | - |
| Total | 28 | 43 |

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 41 : Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Current | | |
| Financial assets | | |
| <i>First charge</i> | | |
| Trade receivables | 2,581 | 2,084 |
| Cash and cash equivalents | 207 | 29 |
| Bank Balances other than cash and cash equivalents | 73 | 80 |
| Loans | - | - |
| Others | 247 | 304 |
| Non-financial assets | | |
| <i>First charge</i> | | |
| Inventories | 2,942 | 3,819 |
| Other current assets | 1,199 | 723 |
| Total current assets pledged as security | 7,249 | 7,040 |
| Non-Current | | |
| <i>First charge</i> | | |
| Plant and machinery | - | - |
| Furniture and fixtures | - | - |
| Office equipment | - | - |
| Vehicles | - | - |
| Total non-current assets pledged as security | - | - |
| Total assets pledged as security | 7,249 | 7,040 |

Note - 42 : Events occurring after the reporting period

No events were noted after the reporting period which require an adjustment nor disclosure as provided under Ind AS 10.

Note - 43 :

No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note - 44 :

The Board of Directors of the Company at its meeting held on 09.01.2024 had considered and approved the draft Scheme of Amalgamation of Bhavya Cements Private Limited, a subsidiary of the Company into and with the Company and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, subject to the requisite statutory and regulatory approvals. Further, the Company is in process of obtaining the requisite statutory and regulatory approvals.

Note - 45 :

The company is using accounting software for maintaining its books of account having the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. The feature of recording audit trail (edit log) facility at database level is enabled.

Notes to Accounts

All amounts in INR lakhs unless otherwise stated

Note - 46 : Analytical Ratios

| Ratio | Numerator | Denominator | Current Year | Previous year | Variance | Reasons |
|---|---|--|--------------|---------------|----------|---|
| Current ratio (in times) | Total current Assets | Total current liabilities | 0.51 | 0.52 | (2) | - |
| Debt-equity ratio (in times) | Long term liabilities+short term borrowings | Total equity | 0.88 | 0.89 | (1) | - |
| Debt service coverage ratio (in times) | Earnings before debt service = Net profit after taxes + non cash operating expenses + Interest + Other non cash adjustments | Debt service = Interest + principle repayments | 1.18 | 0.24 | 384 | Decrease in losses and repayment of ICD in previous year. |
| Return on equity ratio (in %) | Profit/(Loss) for the year | Average total equity | (0.03) | (0.05) | (41) | Decrease in losses |
| Inventory turnover ratio (in times) | Revenue from operations | Average total inventory | 13.59 | 12.73 | 7 | - |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 19.70 | 18.40 | 7 | - |
| Trade payables turnover ratio (in times) | Raw material purchaes + Fuel purchase+Other expenses | Average trade payables | 7.38 | 8.72 | (15) | - |
| Net capital turnover ratio (in times) | Revenue from operations | Average working capital (ie., Total current asstes less Total current liabilities) | (6.46) | (6.38) | 1 | - |
| Net profit ratio (in %) | Profit/(Loss) for the year | Revenue from operations | (0.03) | (0.04) | (43) | Decrease in losses and increase in revenue from operations. |
| Return on capital employed (in %) | Earning before tax and finance cost | Capital employed = Net worth + Deferred tax liabilities+Total Debt | 0.01 | 0.01 | 114 | Due to increase in earnings |
| (k) Return on Investment | Income generated from invested funds | Average invested funds in investmens | - | - | - | - |

Note - 47 : Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

| As per our report of even date | For and on behalf of the Board | | |
|---|--|--|--|
| For Ramanatham & Rao Chartered Accountants FR No : S-2934 | N Venkat Raju Managing Director (DIN: 08672963) Place: Hyderabad | Y. Valliammai Director (DIN: 01197421) | Palani Ramkumar Director (DIN: 09207219) |
| C. Kameshwar Rao Partner Membership No : 024363 Place : Hyderabad Date: 27th May, 2024 | S.B. Nirmalatha Director (DIN: 03092392) | Gopal Perumal Director (DIN: 06630431) | Umesh Prasad Patnaik Director (DIN: 10619857) |
| | Rajesh Kumar Dhoot Chief Financial Officer PAN: ADMPD3180B | Subhanarayan Muduli Company Secretary M. No.A 41513 | |
| | Place : Chennai Date: 27th May, 2024 | | |

Independent Auditor’s Report

To the Members of Anjani Portland Cement Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Anjani Portland Cement Limited (hereinafter referred to as “the Holding Company”) and its subsidiary Bhavya Cement Private Limited (the Holding Company and its subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at 31st March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2024, of its consolidated Loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the 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 | Auditor’s Response |
|---|---|
| <p>Evaluation of uncertain tax positions</p> <p>The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 37 to the Consolidated Financial Statements.</p> | <p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from managements of the respective companies. We involved our internal experts to challenge the management’s underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management’s position on these uncertain tax positions.</p> |

Other Information

The Holding Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Company’s Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon. The Other information 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards

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specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the group and respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We communicate with those charged with governance of the holding company and other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other matters

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary Company as on 31st March, 2024 taken on record by the respective Board of Directors of the Holding Company and subsidiary Company, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary, which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary, which is incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Companies Act, 2013.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 37);
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The Holding company has during the year transferred a sum of Rs.7,18,613/- to the Investor Education and Protection Fund towards unclaimed interim dividend for the financial year 2016-17. There is no other amount, which is required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.
 - iv. (a) The respective Management of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note-43).
 - (b) The respective Management of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note-43).

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. As stated in Note 34(b) to the consolidated financial statements
The Board of Directors of the Holding Company and Subsidiary Company have not proposed dividend for the year 2023-24.
- vi. Based on our examination, which included test checks, the group has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso 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 for preceding year as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Government of India in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Place: Hyderabad
Date: 27th May, 2024

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

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 24024363BKCUSJ4982

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Anjani Portland Cement Limited ("the Holding Company") and its subsidiary, which is incorporated in India, as of 31st March, 2024 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Holding Company and Subsidiary Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

C. Kameshwar Rao
Partner

Place: Hyderabad
Date: 27th May, 2024

Membership No.024363
UDIN: 24024363BKCUSJ4982

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Consolidated Balance Sheet

All amounts in INR Lakhs unless otherwise stated

| Particulars | Note | As at March 31, 2024 | As at March 31, 2023 |
|--|----------|-------------------------|-------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2a | 53,052 | 56,297 |
| Right of Use Assets | 41 | 26 | 41 |
| Capital work in progress | 2c | 310 | 80 |
| Investment property | 2d | 99 | 104 |
| Other intangible assets | 2b | 7,583 | 7,857 |
| Goodwill | 3 | 23,922 | 23,922 |
| Financial assets | | | |
| i. Other financial assets | 4 | 166 | 290 |
| ii. Other non-current assets | 5 | 1,205 | 1,130 |
| Total non-current assets | | 86,363 | 89,721 |
| Current assets | | | |
| Inventories | 6 | 5,711 | 6,804 |
| Financial assets | | | |
| i. Trade receivables | 7 | 4,129 | 4,180 |
| ii. Cash and cash equivalents | 8 | 245 | 29 |
| iii. Bank Balances other than (ii) above | 9 | 73 | 80 |
| iv. Other financial assets | 4 | 1,918 | 1,971 |
| Other current assets | 10 | 1,537 | 1,047 |
| Current Tax assets (Net) | 21 | 98 | 249 |
| Total current assets | | 13,711 | 14,360 |
| Total Assets | | 1,00,074 | 1,04,081 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 11 | 2,937 | 2,937 |
| Other equity | 12 | 26,507 | 30,435 |
| Non -controlling Interest | 12a | 270 | 295 |
| Total equity | | 29,714 | 33,667 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 13 | 40,745 | 37,745 |
| ia. Lease liabilities | | 21 | 38 |
| Provisions | 14 | 316 | 285 |
| Deferred tax liabilities (net) | 15 | 9,266 | 10,374 |
| Government grants | 16 | - | 5 |
| Total non-current liabilities | | 50,348 | 48,447 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 17 | 1,904 | 5,822 |
| ia. Lease liabilities | | 3 | 2 |
| ii. Trade payables | | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | 18 | 1,126 | 779 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,765 | 5,047 |
| iii. Other financial liabilities | 19 | 8,099 | 7,321 |
| Other current liabilities | 20 | 3,993 | 2,929 |
| Provisions | 14 | 115 | 60 |
| Government grants | 16 | 7 | 7 |
| Total current liabilities | | 20,012 | 21,967 |
| Total liabilities | | 70,360 | 70,414 |
| Total equity and liabilities | | 1,00,074 | 1,04,081 |
| Material Accounting Policies | 1 | | |

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

V. Valliammai
Director
(DIN: 01197421)

Gopal Perumal
Director
(DIN: 06630431)

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Place : Chennai
Date: 27th May 2024

Consolidated Statement of profit and loss

All amounts in INR Lakhs unless otherwise stated

| Particulars | Note | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|----------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 22 | 62,390 | 66,150 |
| Other income | 23 | 112 | 267 |
| Total income | | 62,502 | 66,417 |
| Expenses | | | |
| Cost of materials consumed | 24 | 7,306 | 7,063 |
| Purchase of stock-in-trade | | 1,465 | 3,879 |
| Changes in inventories of finished goods and work-in-progress | 25 | (414) | (960) |
| Employee benefits expense | 26 | 3,711 | 3,792 |
| Finance costs | 27 | 3,221 | 3,447 |
| Depreciation and amortisation expense | 28 | 4,811 | 5,375 |
| Power and fuel | | 31,428 | 34,126 |
| Freight and forwarding expense | | 8,790 | 8,940 |
| Other expenses | 29 | 7,222 | 7,169 |
| Total expenses | | 67,540 | 72,831 |
| Profit /(Loss) before tax | | (5,038) | (6,414) |
| Tax expenses | | | |
| Current Tax | 30 | 2 | (6) |
| Deferred tax | | (1,108) | (558) |
| Total tax expense | | (1,106) | (564) |
| Profit/(Loss) for the year | | (3,932) | (5,850) |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Remeasurement of post employment benefit obligations | | (26) | 76 |
| Income tax relating to these items | | 5 | (17) |
| Other comprehensive income/(Loss) for the year, net of tax | | (21) | 59 |
| Total comprehensive income for the year | | (3,953) | (5,791) |
| Profit attributable to: | | | |
| Owners of the Company | | (3,907) | (5,814) |
| Non-controlling Interests | | (25) | (36) |
| Profit/(Loss) for the year | | (3,932) | (5,850) |
| Other comprehensive income attributable to: | | | |
| Owners of the Company | | (21) | 59 |
| Non-controlling Interests | | 0 | - |
| Other comprehensive income for the year, net of tax | | (21) | 59 |
| Total Comprehensive income attributable to: | | | |
| Owners of the Company | | (3,928) | (5,755) |
| Non-controlling Interests | | (25) | (36) |
| Total comprehensive income for the year | | (3,953) | (5,791) |
| Earnings per equity share (Face Value of Rs 10/- each) : | | | |
| Basic earnings per share in Rupees | 39 | (13.30) | (22.35) |
| Diluted earnings per share in Rupees | | (13.30) | (22.35) |
| Material Accounting Policies | 1 | | |

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

As per our report of even date

For and on behalf of the Board

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

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

V. Valliammai
Director
(DIN: 01197421)

Palani Ramkumar
Director
(DIN: 09207219)

C. Kameshwar Rao
Partner
Membership No : 024363

S.B. Nirmalatha
Director
(DIN: 03092392)

Gopal Perumal
Director
(DIN: 06630431)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Place : Hyderabad
Date: 27th May 2024

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Place : Chennai
Date: 27th May 2024

Statement of Consolidated Cash Flows

All amounts in INR Lakhs unless otherwise stated

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Cash flow from operating activities | | |
| Profit/(Loss) before tax | (5,038) | (6,414) |
| Adjustments for | | |
| Depreciation and amortisation expense | 4,811 | 5,375 |
| Interest Income | (7) | - |
| Creditors payable written back (Net of advances) | - | (13) |
| (Gain)/loss on disposal of property, plant and equipment | (7) | (17) |
| Provisions for bad debts | 85 | 127 |
| Bad debts written off | - | 35 |
| Amortisation of government grants | (7) | (7) |
| Amortisation of rental deposit | - | 1 |
| Interest income on rental deposit | - | (197) |
| Interest expenses on financial assets at amortised cost | (0) | - |
| Interest expenses on financial liabilities calculated using effective interest rate | 14 | - |
| Finance costs | 3,221 | 3,447 |
| Change in operating assets and liabilities | | |
| (Increase)/Decrease in trade receivables | 136 | 1,916 |
| (Increase)/Decrease in inventories | 1,093 | (1,879) |
| Increase/(Decrease) in trade payables | 65 | (185) |
| (Increase)/Decrease in other financial assets | 117 | 27 |
| (Increase)/decrease in other current assets and non-current assets | (573) | 2,259 |
| Increase/(Decrease) in employee benefit obligations | 86 | (10) |
| Increase/(Decrease) in financial liabilities | 204 | 40 |
| Increase/(Decrease) in other current liabilities | 1,064 | (1,893) |
| Cash generated from operations | 5,264 | 2,612 |
| Income taxes paid | - | (540) |
| Net cash inflow from operating activities | 5,264 | 2,072 |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment | (1,501) | (1,408) |
| Increase / (Decrease) in capital creditors | 235 | (131) |
| (Increase) / Decrease in capital advances | 8 | 16 |
| Proceeds from sale of property, plant and equipment | 7 | 27 |
| Fixed deposits (Increase)/Decrease- (Net) | 7 | 86 |
| Interest income | - | 48 |
| Purchase of Investment | - | (9) |
| Net cash outflow from investing activities | (1,246) | (1,371) |
| Cash flows from financing activities | | |
| Proceeds/(Repayment) of long term borrowings | 3,000 | - |
| Proceeds/(Repayment) of short term borrowings | (3,919) | (2,477) |
| Increase/Decrease in Borrowings (net) | - | 104 |
| Issuing of Share Capital (Including Share Premium) | - | 2,013 |
| Intercompany Deposit | - | 2,300 |
| Interest paid | (2,868) | (2,937) |
| Payment of lease liabilities | (15) | (108) |
| Dividends paid | - | (759) |
| Increase in unpaid dividend account | - | - |
| Net cash inflow (outflow) from financing activities | (3,802) | (1,864) |
| Net increase (decrease) in cash and cash equivalents | 216 | (1,163) |
| Cash and cash equivalents at the beginning of the financial year | 29 | 1,192 |
| Cash and cash equivalents at end of the period | 245 | 29 |
| Add: Balances in statutory restricted accounts | 73 | 78 |
| Cash & Cash Equivalents(Refer Note 8 and 9) | 318 | 107 |

1) Components of cash and cash equivalents

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Balances with banks in current accounts | 245 | 29 |
| Cash on hand | - | - |
| Balances in Statutory Restricted Accounts | 73 | 78 |
| Cash and cash equivalents considered in the cash flow statement | 318 | 107 |

2) The above statement of cash flow has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7

3) Reconciliation of liabilities arising from financing activities

| Particulars | Outstanding as at 1st April 2023 | Cash flows(Net) | Non-Cash Changes | Outstanding as at 31 March 2024 |
|--------------------------|-------------------------------------|-----------------|---------------------|------------------------------------|
| Inter Corporate Deposits | 37,745 | 3,000 | - | 40,745 |
| Loans from banks | 5,823 | (3,919) | - | 1,904 |
| Total Borrowings | 43,568 | (919) | - | 42,648 |

| | |
|-------------------------------------|----------|
| Material Accounting Policies | 1 |
|-------------------------------------|----------|

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Place : Chennai
Date: 27th May 2024

V. Valliammai
Director
(DIN: 01197421)

Gopal Perumal
Director
(DIN: 06630431)

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

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Consolidated Statement of changes in Equity

All amounts in INR Lakhs unless otherwise stated

I) Equity share capital

| Particulars | Note No | Amounts |
|---|---------|--------------|
| Balance as at April 1, 2023 | | 2,937 |
| Add: Changes in equity share capital due to prior period errors | | - |
| Restated balance at the beginning of the year | | 2,937 |
| Changes in equity share capital during the year | 11 | - |
| Balance as at March 31, 2024 | | 2,937 |

| Particulars | Note No | Amounts |
|---|---------|--------------|
| Balance as at April 1, 2022 | | 2,529 |
| Add: Changes in equity share capital due to prior period errors | | - |
| Restated balance at the beginning of the year | | 2,529 |
| Changes in equity share capital during the year | 11 | 408 |
| Balance as at March 31, 2023 | | 2,937 |

II) Other equity

| Particulars | Note No | Reserves and surplus | | | | Total |
|-------------------------------------|---------|----------------------|-----------------|-------------------|----------------------------|---------------|
| | | Securities Premium | General Reserve | Retained earnings | Capital Redemption Reserve | |
| Balance as at April 1, 2023 | | 14,456 | 500 | 14,718 | 761 | 30,435 |
| Profit/(Loss) for the year | 12 | - | - | (3,907) | - | (3,907) |
| Other comprehensive income | 12 | - | - | (21) | - | (21) |
| Dividends paid | 34(b) | - | - | - | - | - |
| Balance as at March 31, 2024 | | 14,456 | 500 | 10,790 | 761 | 26,507 |

| Particulars | Note No | Reserves and surplus | | | | Total |
|-------------------------------------|---------|----------------------|-----------------|-------------------|----------------------------|---------------|
| | | Securities Premium | General Reserve | Retained earnings | Capital Redemption Reserve | |
| Balance as at April 1, 2022 | | 6,810 | 500 | 21,232 | 761 | 29,303 |
| Profit/(Loss) for the year | 12 | - | - | (5,814) | - | (5,814) |
| Other comprehensive income | 12 | - | - | 59 | - | 59 |
| Rights Issue | | 7,646 | - | - | - | 7,646 |
| Dividends paid | 34(b) | - | - | (759) | - | (759) |
| Balance as at March 31, 2023 | | 14,456 | 500 | 14,718 | 761 | 30,435 |

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

As per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 024363

Place : Hyderabad
Date: 27th May 2024

For and on behalf of the Board

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

S.B. Nirmalatha
Director
(DIN: 03092392)

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Place : Chennai
Date: 27th May 2024

V. Valliammai
Director
(DIN: 01197421)

Gopal Perumal
Director
(DIN: 06630431)

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Palani Ramkumar
Director
(DIN: 09207219)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Notes to Accounts

Note - 1. Material Accounting Policies

a) Brief description of the Company

Anjani Portland Cement Limited (the Company 'or the Holding Company) is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at-#6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad Telangana – 500 082, India.

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

The Consolidated financial statements have been approved by the holding company's Board of Directors on 27th May, 2024.

b) Basis of preparation of the consolidated financial statements

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

c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiary Bhavya Cements Pvt Limited, together referred as 'Group' as at 31st March, 2024

d) Use of estimates

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

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

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, rebates and trade discounts.

Sale of products:

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

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

Interest, Dividends and Other Income:

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

f) Property, Plant and Equipment

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

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

g) Depreciation and amortization

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

- iv) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

h) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

i) Transactions in foreign currencies

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

j) Inventories

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

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

k) Income tax

Tax expense comprises of current and deferred taxes.

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

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

l) Provisions and contingent liabilities

- i) Provision:

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

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

ii) **Contingent liabilities:**

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

m) **Government Grants**

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

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

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

n) **Segment reporting**

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

o) **Cash and Cash equivalents**

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

p) **Trade receivables**

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

q) **Trade payables**

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

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

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

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

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

s) **Recent accounting announcements**

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.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|---------------------------|-----------------------|--------------|-------------------------|----------------------|--------------------------|---------------------------|------------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deletions / Adjustments | As at March 31, 2024 | As at April 1, 2023 | Depreciation for the year | Deletions | As at March 31, 2024 | As at March 31, 2024 |
| Land - freehold | 17,668 | 404 | - | 18,072 | 7 | - | - | 7 | 18,065 |
| Building | 13,396 | 24 | - | 13,420 | 2,274 | 827 | - | 3,101 | 10,319 |
| Plant and equipment | 46,399 | 834 | 135 | 47,098 | 19,041 | 3,635 | 135 | 22,541 | 24,557 |
| Furniture and fixtures | 27 | 2 | - | 29 | 17 | 1 | - | 18 | 11 |
| Office equipment | 134 | 5 | - | 139 | 96 | 14 | - | 110 | 29 |
| Vehicles | 276 | 0 | - | 276 | 170 | 36 | - | 206 | 70 |
| Data Processing equipment | 9 | 1 | - | 10 | 7 | 2 | - | 9 | 1 |
| Total | 77,909 | 1,270 | 135 | 79,044 | 21,612 | 4,515 | 135 | 25,992 | 53,052 |

Note - 2b : Other intangible assets

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|-------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deletions / Adjustments | As at March 31, 2024 | As at April 1, 2023 | Depreciation for the year | Deletions | As at March 31, 2024 | As at March 31, 2024 |
| Computer software | | | | | | | | | |
| - Acquired | 13 | - | - | 13 | 12 | - | - | 12 | 1 |
| -Bhavya Brand | 1,542 | - | - | 1,542 | 187 | 103 | - | 290 | 1,252 |
| -Mining License | 6,810 | - | - | 6,810 | 309 | 171 | - | 480 | 6,330 |
| Total | 8,365 | - | - | 8,365 | 508 | 274 | - | 782 | 7,583 |

2c : Capital work in progress

| | | | | | | | | | |
|---------------------------------|-----------|------------|----------|------------|----------|----------|----------|----------|------------|
| Capital work in progress | 80 | 230 | | 310 | - | - | - | - | 310 |
| | 80 | 230 | - | 310 | - | - | - | - | 310 |

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | |
| Projects in progress | 47 | 263 | - | - | 310 |

Notes: (i) Refer to note 37 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Note - 2d : Investment property

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|-----------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deletions / Adjustments | As at March 31, 2024 | As at April 1, 2023 | Depreciation for the year | Deletions | As at March 31, 2024 | As at March 31, 2024 |
| Residential Buildings | 110 | - | - | 110 | 6 | 4.86 | - | 11 | 99 |

The fair value of the investment property as at March 31, 2024 is Rs. 119 lakhs.

Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount |
|----------------------------|-----------------------|--------------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deletions / Adjustments | As at March 31, 2023 | As at April 1, 2022 | Depreciation for the year | Deletions | As at March 31, 2023 | As at March 31, 2023 |
| Land - freehold | 17,000 | 668 | - | 17,668 | 6 | 1 | - | 7 | 17,661 |
| Building | 13,242 | 154 | - | 13,396 | 1,368 | 906 | - | 2,274 | 11,122 |
| Plant and equipment | 45,805 | 594 | - | 46,399 | 15,016 | 4,025 | - | 19,041 | 27,358 |
| Furniture and fixtures | 27 | - | - | 27 | 14 | 3 | - | 17 | 10 |
| Office equipment | 81 | 53 | - | 134 | 66 | 30 | - | 96 | 38 |
| Vehicles | 297 | - | 21 | 276 | 115 | 66 | 11 | 170 | 106 |
| Data Processing equipments | 9 | - | - | 9 | 3 | 4 | - | 7 | 2 |
| Total | 76,461 | 1,469 | 21 | 77,909 | 16,588 | 5,035 | 11 | 21,612 | 56,297 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note - 2b : Other intangible assets

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|-------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|--|
| | As at April 1, 2022 | Additions | Deletions / Adjustments | As at March 31, 2023 | As at April 1, 2022 | Depreciation for the year | Deletions | As at March 31, 2023 | As at March 31, 2023 | |
| Computer software | | | | | | | | | | |
| - Acquired | 13 | - | - | 13 | 12 | - | - | 12 | 1 | |
| -Bhavya Brand | 1,542 | - | - | 1,542 | 84 | 103 | - | 187 | 1,355 | |
| -Mining License | 6,810 | - | - | 6,810 | 139 | 170 | - | 309 | 6,501 | |
| Total | 8,365 | - | - | 8,365 | 235 | 273 | - | 508 | 7,857 | |

Note - 2b : Capital work in progress

| | | | | | | | | | |
|--------------------------|-----|----|-----|----|---|---|---|---|----|
| Capital work in progress | 141 | 63 | 124 | 80 | - | - | - | - | 80 |
| | 141 | 63 | 124 | 80 | - | - | - | - | 80 |

CWIP AGEING SCHEDULE

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | |
| Projects in progress | 80 | - | - | - | 80 |

Notes: (i) Refer to note 37 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Note - 2d : Investment property

| Asset Description | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|-----------------------|-----------------------|-----------|-------------------------|----------------------|--------------------------|---------------------------|-----------|----------------------|----------------------|--|
| | As at April 1, 2022 | Additions | Deletions / Adjustments | As at March 31, 2023 | As at April 1, 2022 | Depreciation for the year | Deletions | As at March 31, 2023 | As at March 31, 2023 | |
| Residential Buildings | 110 | - | - | 110 | 1 | 5 | - | 6 | 104 | |

The fair value of the investment property as at March 31, 2023 is Rs. 119 lakhs.

Note - 3: Goodwill

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Opening Balance | 23,922 | 23,922 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| Acquisition through business Combination | - | - |
| Other Adjustments | - | - |
| Total | 23,922 | 23,922 |

Note - 4 : Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Non-current | | |
| Unsecured, considered good | | |
| Security deposits | 8 | 7 |
| Fixed Deposits with banks with maturity greater than 12 Months * | 158 | 283 |
| Total | 166 | 290 |
| *Represents margin money deposits against Bank Guarantees | | |
| Current | | |
| Security deposits | 28 | 30 |
| Sales tax incentive receivable | 412 | 412 |
| Power incentive receivable | 1,211 | 1,211 |
| GST Receivable on Ocean Freight | - | 10 |
| DIC Claim receivable | 201 | 201 |
| Interest Receivable | 66 | 107 |
| Total | 1,918 | 1,971 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note - 5 : Other non-current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Capital advances | 285 | 293 |
| Balances with government authorities | 133 | 51 |
| Security deposits | 787 | 786 |
| Total | 1,205 | 1,130 |

Note - 6 : Inventories (valued at year ended 31.03.2024)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Raw materials | 330 | 333 |
| Work-in-progress | 996 | 1,622 |
| Finished goods | 1,864 | 824 |
| Coal and fuel | 496 | 2,072 |
| Packing materials | 262 | 301 |
| Stores and spares | 1,763 | 1,652 |
| Total | 5,711 | 6,804 |

Note - 7 : Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| a) Trade receivables considered good - secured | 952 | 868 |
| b) Trade receivables considered good - unsecured | | |
| From Related Parties | 8 | - |
| From Others | 2,988 | 3,469 |
| c) Trade receivables which have significant increase in credit risk | 401 | 117 |
| d) Trade receivables - credit impaired | 264 | 125 |
| Less: Allowance for expected credit losses | (484) | (399) |
| Total | 4,129 | 4,180 |

As on March 31, 2024

| 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 | |
| (i) Undisputed Trade receivables – considered good | 2,333 | 585 | 232 | 464 | 66 | 45 | 3,725 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 160 | 241 | 401 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | 40 | 152 | 93 | 202 | 487 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 2,333 | 585 | 272 | 616 | 319 | 488 | 4,613 |
| Less: Expected Credit Losses | - | - | - | - | - | - | (484) |
| Total Receivables net of Allowance for bad and doubtful debts | - | - | - | - | - | - | 4,129 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

As on March 31, 2023

| 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 | |
| (i) Undisputed Trade receivables – considered good | 1407 | 1308 | 795 | 371 | 230 | 0 | 4,111 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 81 | 36 | 117 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | 22 | 82 | 29 | 207 | 11 | 351 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 1407 | 1330 | 877 | 400 | 518 | 47 | 4,579 |
| Less: Expected Credit Losses | - | - | - | - | - | - | (399) |
| Total Receivables net of Allowance for bad and doubtful debts | - | - | - | - | - | - | 4,180 |

Note - 8 : Cash and cash equivalents

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------|----------------------|----------------------|
| Balances with banks | | |
| - in current accounts | 245 | 29 |
| Cash on hand | - | - |
| Total | 245 | 29 |

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| Balances with banks | | |
| Term deposits | 2 | 2 |
| in earmarked accounts * | 71 | 78 |
| Total | 73 | 80 |

* Represents amounts in unpaid dividend accounts

Note - 10 : Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Advances other than capital advances | | |
| Supplier advances | 1,190 | 586 |
| Balances with government authorities | 224 | 300 |
| Prepaid Expenses | 123 | 145 |
| CSR Carry forward | - | 16 |
| Total | 1,537 | 1,047 |

Note - 11 : Equity share capital

Authorised equity share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| 4,30,00,000 (PY 4,30,00,000) equity shares of Rs. 10/- each | 4,300 | 4,300 |
| Total | 4,300 | 4,300 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Authorised preference share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 19,00,00,000 (PY 19,00,00,000) preference shares of Rs.10/- each | 19,000 | 19,000 |
| Total | 19,000 | 19,000 |

Issued,Subscribed and Fully paid up equity share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 2,93,74,764 (PY 2,93,74,764) equity shares of Rs.10/-) each | 2,937 | 2,937 |
| Total | 2,937 | 2,937 |

(i) Movements in equity share capital

| Particulars | No.of shares | Amount |
|-------------------------------------|--------------------|--------------|
| Balance as at March 31, 2022 | 2,52,85,696 | 2,529 |
| Add : Issue of shares | 40,89,068 | 408 |
| Balance as at March 31, 2023 | 2,93,74,764 | 2,937 |
| Balance as at March 31, 2023 | 2,93,74,764 | 2,937 |
| Movement during the year | - | - |
| Balance as at March 31, 2024 | 2,93,74,764 | 2,937 |

Terms and rights attached to equity shares

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

(ii) Shares of the company held by holding company

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------------|----------------------|--------------|
| | Number of shares | Amount | Number of shares | Amount |
| Chettinad Cement Corporation Private Limited, Holding Company | 2,20,31,071 | 2,203 | 2,20,31,071 | 2,203 |
| | 2,20,31,071 | 2,203 | 2,20,31,071 | 2,203 |

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

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------|----------------------|------------|
| | Number of shares | % holding | Number of shares | % holding |
| Chettinad Cement Corporation Private Limited, Holding Company | 2,20,31,071 | 75% | 2,20,31,071 | 75% |
| | 2,20,31,071 | 75% | 2,20,31,071 | 75% |

Promoter's Shareholding

Year ended March 31,2024

| Shares held by promoters at the end of the year | | | |
|---|--------------------|-------------------|--------------------------|
| Promoter Name | No.of Shares | % of Total Shares | % Change During the Year |
| Chettinad Cement Corporation Private Limited | 2,20,31,071 | 75 | - |
| Total | 2,20,31,071 | 75 | |

Year ended March 31,2023

| Shares held by promoters at the end of the year | | | |
|---|--------------------|-------------------|--------------------------|
| Promoter Name | No.of Shares | % of Total Shares | % Change During the Year |
| Chettinad Cement Corporation Private Limited | 2,20,31,071 | 75 | 16.17 |
| Total | 2,20,31,071 | 75 | |

Notes to Accounts



All amounts in INR Lakhs unless otherwise stated

Note - 12 : Other Equity

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|-------------------------|-------------------------|
| Securities premium | 14,456 | 14,456 |
| General reserve | 500 | 500 |
| Retained earnings | 10,790 | 14,718 |
| Capital redemption reserve | 761 | 761 |
| Total | 26,507 | 30,435 |

a) Securities premium

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening balance | 14,456 | 6,810 |
| Additions during the year | - | - |
| - on account of Rights Issue | - | 7,646 |
| Deductions/Adjustments during the year | - | - |
| Closing balance | 14,456 | 14,456 |

b) General reserve

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening balance | 500 | 500 |
| Additions during the year | - | - |
| Deductions/Adjustments during the year | - | - |
| Closing balance | 500 | 500 |

c) Retained earnings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Opening balance | 14,718 | 21,232 |
| Net profit/(loss) for the year | (3,907) | (5,814) |
| Items of other comprehensive income recognised directly in retained earnings | - | - |
| - Remeasurements of post-employment benefit obligation, net of tax | (21) | 59 |
| Appropriations | - | - |
| - Dividend | - | (759) |
| Closing balance | 10,790 | 14,718 |

d) Capital redemption reserve

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening balance | 761 | 761 |
| Additions during the year | - | - |
| Deductions/Adjustments during the year | - | - |
| Utilized towards equity share buy-back | - | - |
| Closing balance | 761 | 761 |

Note - 12a : Non-controlling interest

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening balance | 295 | 333 |
| Additions during the year | - | - |
| Add: Profit/(Loss) for the year | (25) | (36) |
| Deductions/Adjustments during the year | (0) | (2) |
| Closing balance | 270 | 295 |

Nature and purpose of other reserves

(i) Securities premium

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

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

(ii) **General reserve**

This reserve is used to record the transfers made from the retained earnings and was made on account of the requirements of the Companies Act, 2013 for payment of dividends.

(iii) **Retained Earnings**

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

(iv) **Capital Redemption Reserve**

This reserve has been created on account of the buy back of equity shares by the subsidiary company in accordance with the requirements of the Companies Act, 2013.

Note -13 : Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Un-Secured Loans | | |
| Inter Corporate Deposits from Related Party | 40,745 | 37,745 |
| Total | 40,745 | 37,745 |

Un-secured loan from related party represents loan from holding company which carries interest rate of 7% repayable on or before 31st March,2026.

Note -14 : Provisions

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|-------------------------------------|----------------------|-------------|------------|----------------------|-------------|------------|
| | Current | Non-current | Total | Current | Non-current | Total |
| Employee benefit obligations | | | | | | |
| Compensated absences | 42 | 126 | 168 | 37 | 114 | 151 |
| Gratuity | 63 | 48 | 111 | 13 | 42 | 55 |
| Superannuation | 10 | - | 10 | 10 | - | 10 |
| Others | | | | | | |
| De-commissioning Liability | - | 142 | 142 | - | 129 | 129 |
| Total | 115 | 316 | 431 | 60 | 285 | 345 |

(i) **Compensated absences**

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Current compensated absences expected to be settled within the next 12 months | 42 | 37 |

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

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India.

(iii) **Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is INR 207.35 (March 31, 2023 - INR 121 lakhs).

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Gratuity

| Particulars | Present value of obligation | Fair value of plan assets | Net amount |
|--|-----------------------------|---------------------------|-------------|
| April 1, 2023 | 825 | (771) | 54 |
| Current service cost | 77 | - | 77 |
| Interest expense/(income) | 59 | (13) | 46 |
| Total amount recognised in profit or loss | 136 | (13) | 123 |
| <i>Remeasurements</i> | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | (41) | (41) |
| (Gain)/loss from change in demographic assumptions | (7) | - | (7) |
| (Gain)/loss from change in financial assumptions | 28 | - | 28 |
| Experience (gains)/losses | 2 | (3) | (1) |
| Total amount recognised in other comprehensive income | 23 | (44) | (21) |
| Employer contributions | - | (47) | (47) |
| Benefit payments | (162) | 162 | - |
| March 31, 2024 | 822 | (713) | 109 |

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Present value of funded obligations | 822 | 825 |
| Fair value of plan assets | (713) | (771) |
| Deficit (Excess) of funded plan | 109 | 54 |

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

| | March 31, 2024 | March 31, 2023 |
|--------------------|----------------|----------------|
| Discount rate | 7.20% | 7.45% |
| Salary growth rate | 8.00% | 8.00% |

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

(v) Sensitivity analysis

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

| Particulars | Key assumptions | Defined benefit obligation | | | |
|--------------------|-----------------|----------------------------|------|---------------------------|------|
| | | Increase in assumption by | | Decrease in assumption by | |
| | | March 31, 2024 | Rate | March 31, 2024 | Rate |
| Discount rate | 7.20% | 1% | 634 | 1% | 784 |
| Attrition rate | 2.50% | 1% | 704 | 1% | 703 |
| Salary growth rate | 8.00% | 1% | 764 | 1% | 645 |

| Particulars | Key assumptions | Defined benefit obligation | | | |
|--------------------|-----------------|----------------------------|------|---------------------------|------|
| | | Increase in assumption by | | Decrease in assumption by | |
| | | March 31, 2023 | Rate | March 31, 2023 | Rate |
| Discount rate | 7.30% | 1% | 703 | 1% | 849 |
| Attrition rate | 2.50% | 1% | 771 | 1% | 770 |
| Salary growth rate | 8.00% | 1% | 830 | 1% | 712 |

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

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

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

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

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------------------------------|----------------|----------------|
| | Unquoted | Unquoted |
| Investment funds (Investments in LIC) | 713 | 968 |
| Total | 713 | 968 |

(vii) **Risk exposure**

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

Investment risks:

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

Interest risks:

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

Longevity risks (Life expectancy):

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

Salary risks:

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

Note-15: Deferred tax liabilities(net)

The balance comprises temporary differences attributable to:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Deferred tax liabilities | | |
| On account of depreciation and amortisation on Property Plant and Equipment and intangible assets | 9,468 | 10,539 |
| DTA Addition/(Reversal) on account of Ind As | - | - |
| Total deferred tax liabilities | 9,468 | 10,539 |
| Deferred tax assets | | |
| Provision for employee benefits | (80) | (65) |
| Provision for doubtful debts | (122) | (100) |
| Other Adjustments | - | - |
| Deferred tax liabilities(net) | 9,266 | 10,374 |

Movement in deferred tax liabilities/(assets)

| Particulars | On account of depreciation and amortisation on Property Plant and Equipment and intangible assets | Provision for employee benefits | Provision for doubtful debts | Other Adjustments | Total |
|---------------------------------|---|---------------------------------|------------------------------|-------------------|---------------|
| At March 31, 2023 | 3,360 | (65) | (100) | 7,179 | 10,374 |
| (Charged)/credited: | | | | | |
| - to profit or loss | (571) | (20) | (22) | (6) | (619) |
| - to other comprehensive income | - | 5 | - | (0) | 5 |
| - to Other Adjustments | - | - | - | (494) | (494) |
| At March 31, 2024 | 2,789 | (80) | (122) | 6,679 | 9,266 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Movement in deferred tax liabilities/(assets)

| Deferred tax liabilities(net) | On account of depreciation and amortisation on Property Plant and Equipment and intangible assets | Provision for employee benefits | Provision for doubtful debts | Other Adjustments | Total |
|---------------------------------|---|---------------------------------|------------------------------|-------------------|--------|
| At March 31, 2022 | 3,454 | (66) | (68) | 7,593 | 10,913 |
| (Charged)/credited: | | | | | |
| - to profit or loss | (94) | (16) | (32) | (414) | (556) |
| - to other comprehensive income | - | 17 | - | - | 17 |
| - to current tax liabilities | - | - | - | - | - |
| At March 31, 2023 | 3,360 | (65) | (100) | 7,179 | 10,374 |

Note - 16 : Government Grants

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|----------------------|----------------------|
| Opening balance | 12 | 19 |
| Less: Released to profit or loss | (5) | (7) |
| Closing balance | 7 | 12 |
| Current portion | 7 | 7 |
| Non-current portion | - | 5 |
| Total | 7 | 12 |

Note - 17 : Current borrowings

| Particulars | Maturity date | Terms of repayment | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------|--------------------|----------------------|----------------------|
| Secured | | | | |
| From banks | | | | |
| Bank overdrafts | Payable on demand | Payable on demand | 1,904 | 2,822 |
| Current maturities of long term debt | | | - | 3,000 |

The borrowings are secured as follows;

- Bank Overdraft, HDFC Bank Limited is secured under hypothecation by way of first pari-passu charge on current assets of the Company.
- The carrying amount of financial and non-financial assets pledged as security for current borrowings are disclosed in Note 42.

Note -18: Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Dues to micro and small enterprises | 1,126 | 779 |
| Dues to other than micro and small enterprises | 4,765 | 5,047 |
| Total | 5,891 | 5,826 |

As on March 31, 2024

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--------------|--|-----------|-----------|-------------------|--------------|
| | | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| i) MSME | 1,126 | - | - | - | - | 1,126 |
| ii) Others | 3,777 | 835 | 48 | 94 | 11 | 4,765 |
| iii) Disputed Dues-MSME | - | - | - | - | - | - |
| iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 4,903 | 835 | 48 | 94 | 11 | 5,891 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

As on March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--------------|--|-----------|------------|-------------------|--------------|
| | | Less than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| i) MSME | 779 | - | - | - | - | 779 |
| ii) Others | 2,826 | 2,045 | 11 | 151 | 13 | 5,047 |
| iii) Disputed Dues-MSME | - | - | - | - | - | - |
| iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 3,606 | 2,045 | 11 | 151 | 13 | 5,826 |

Note- 19: Other financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|----------------------|----------------------|
| Interest accrued and due on ICD | 1,939 | 1,600 |
| Deposits from dealers | 2,971 | 2,772 |
| Capital creditors | 235 | 1 |
| Expenses payable | 261 | 231 |
| Unpaid dividends* | 70 | 78 |
| Deferred Consideration-Liability | 2,613 | 2,613 |
| Rention money | 10 | 2 |
| Accrued Interest | - | 24 |
| Total | 8,099 | 7,321 |

Note :* There are no amounts due to be remitted to Investor Education and Protection Fund out of these amounts.

Note - 20:Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| Advances from customers | 1,748 | 1,470 |
| Statutory dues | 849 | 903 |
| Others | 1,396 | 556 |
| Total | 3,993 | 2,929 |

Note -21 :Current tax Assets(net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Provision for income-tax (net of advance tax and TDS) | 98 | 249 |
| Total | 98 | 249 |

Note -22 :Revenue from operations

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-------------------------------|---------------------------|---------------------------|
| Sale of manufactured products | | |
| - Cement | 60,784 | 60,983 |
| - Power | - | 692 |
| Sale of traded products | 1,494 | 4,392 |
| Other operating revenue | 112 | 83 |
| Total | 62,390 | 66,150 |

22.1: Disaggregated Revenue Disclosures are not applicable to the Company since the Company deals mainly in one product i.e., manufacturing and selling of Cement.

22.2: Trade Receivables and Contract Balances

- The Company classifies the right to consideration in exchange for deliverables as receivable.
- A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.

22.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note - 23 : Other income

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Interest income on deposits with banks | 9 | 71 |
| Profit on sale of property, plant and equipment | 7 | 17 |
| Interest income from financial assets at amortised cost | - | 146 |
| Government grants * | 7 | 7 |
| Liabilities no longer required | - | 13 |
| Others | 89 | 13 |
| Total | 112 | 267 |

*Government grants relates to the capital subsidy and power subsidy received for investment in property, plant and equipment. There are no unfulfilled conditions or other contingencies attached to these grants.

Note - 24 : Cost of material consumed

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------|------------------------------|------------------------------|
| Raw materials consumed: | | |
| i) Limestone | 4,442 | 4,119 |
| ii) Gypsum | 914 | 928 |
| iii) Fly ash | 1,332 | 1,321 |
| iv) Granulated slag | 141 | 378 |
| v) Laterite | 477 | 317 |
| Total | 7,306 | 7,063 |

Note - 25 : Changes in inventories of finished goods and work-in-progress

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Opening balance | | |
| Finished goods | 824 | 301 |
| Work-in-progress | 1,622 | 1,185 |
| Total opening balance (A) | 2,446 | 1,486 |
| Closing balance | | |
| Finished goods | 675 | 824 |
| Work-in-progress | 2,185 | 1,622 |
| Total closing balance (B) | 2,860 | 2,446 |
| Total Changes in inventories of finished goods and work-in-progress (A-B) | (414) | (960) |

Note - 26 : Employee benefits expense

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Salaries, wages and bonus | 3,296 | 3,388 |
| Contribution to provident and other funds | 207 | 204 |
| Gratuity | 67 | 92 |
| Compensated absences | 49 | 9 |
| Staff welfare expenses | 92 | 99 |
| Total | 3,711 | 3,792 |

Note - 27 : Finance costs

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest and finance charges on financial liabilities calculated using effective interest rate | 14 | 166 |
| Interest Expenses | | |
| On Inter-Corporate deposits | 2,858 | 2,524 |
| On term loans | 4 | 289 |
| On working capital loans | 314 | 393 |
| Others | - | 45 |
| Other Borrowing Costs | 31 | 30 |
| Total | 3,221 | 3,447 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note - 28 : Depreciation and amortisation expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Depreciation of property, plant and equipment | 4,789 | 5,308 |
| Depreciation on Investment Property | 5 | 5 |
| Depreciation on Right-of-use Assets | 17 | 62 |
| Total | 4,811 | 5,375 |

Note-29 :Other Expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Consumption of stores and spares | 2,003 | 1,789 |
| Packing materials | 1,782 | 2,115 |
| Labour Charges | 579 | 570 |
| Repairs and maintenance | | |
| Repairs and maintenance - building | 14 | 26 |
| Repairs and maintenance - plant and machinery | 892 | 833 |
| Repairs and maintenance - others | 51 | 67 |
| Communication expenses | 30 | 31 |
| Rent | 23 | 41 |
| Rates and taxes | 252 | 337 |
| Travel and conveyance | 147 | 157 |
| Printing and stationery | 6 | 15 |
| Professional charges | 233 | 202 |
| Payment to Auditors | 20 | 21 |
| Insurance | 141 | 149 |
| Bad debts written off | - | 35 |
| Provision for doubtful debts | 85 | 127 |
| Effect of exchange differences on translation of forward contracts | 1 | - |
| Office Maintenance | 137 | - |
| Selling and marketing expenses | 582 | 151 |
| Misc. expenses | 139 | 246 |
| Loss on foreign currency transactions (net) | - | 3 |
| Others | 39 | 41 |
| Total | 7,222 | 7,169 |

Note-30 : Income Tax Expense

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| (a) Income tax expense | | |
| <i>Current tax</i> | | |
| Current tax on profits for the year | - | - |
| Adjustments for current tax of prior periods | 2 | (6) |
| Total current tax expense | 2 | (6) |
| <i>Deferred tax</i> | | |
| Decrease/(increase) in deferred tax assets | (894) | (482) |
| (Decrease)/increase in deferred tax liabilities | (214) | (76) |
| Total deferred tax expense/(benefit) | (1,108) | (558) |
| Income tax expense | (1,106) | (564) |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Profit/(Loss) before income tax expense | (5,038) | (6,414) |
| Tax at the Indian tax rate of 25.168% | - | - |
| Reduction in Deferred Tax due to adoption of reduced corporate tax rate under section 115 BAA of Income Tax Act 1961 | - | - |
| Tax credits for which no deferred income tax was recognised | - | - |
| Prior period tax expense | 2 | - |
| Other items | - | - |
| Income tax expense | 2 | - |

Note -31: Impairment testing of goodwill

For impairment testing, goodwill acquired through the business combination has been allocated to the cements business. The total carrying amount of goodwill as at March 31, 2024 is Rs. 23,922 lacs. The Group performed the annual impairment test of goodwill as at March 31, 2024. The recoverable amount of the cements business was determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections for impairment testing during the current year is 13.00%. The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 6.0%. The impairment test did not identify any impairment in the carrying value of goodwill as at March 31, 2024.

Key assumptions used for value in use calculations:

The calculation of value in use is most sensitive to the following assumptions:

- Gross margins - these are based on the averages achieved in the earlier years. These are increased over the budget period for anticipated efficiency. An increase of 10% in the revenues and costs has been considered for the next 5 years based on the business plans of the Company.
- Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity.
- Growth rates used to extrapolate cash flows beyond the forecast period - These are based on published industry research and management's estimates.

The value in use computations are sensitive to variance in the above key assumptions. 1.0% movement in any one of the above key assumptions keeping the other assumptions constant is not resulting in any impairment of goodwill.

Note-32 :Fair value measurements

Financial instruments by category

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|--|----------------------|----------|----------------|----------------------|----------|----------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial assets | | | | | | |
| Investments (other than investments in subsidiaries) | - | - | - | - | - | - |
| Trade receivables | - | - | 4,129 | - | - | 4,180 |
| Cash and cash equivalents | - | - | 245 | - | - | 29 |
| Bank Balances other than cash and cash equivalents | - | - | 73 | - | - | 80 |
| Other financial assets | - | - | 2,084 | - | - | 2,261 |
| Total financial assets | - | - | 6,531 | - | - | 6,551 |
| Financial liabilities | | | | | | |
| Borrowings | - | - | 42,649 | - | - | 43,567 |
| Lease Liability | - | - | 24 | - | - | 40 |
| Trade payables | - | - | 5,891 | - | - | 5,826 |
| Others | - | - | 8,099 | - | - | 7,321 |
| Total financial liabilities | - | - | 56,663 | - | - | 56,754 |

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2024 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial assets | | | | | |
| Trade receivables | | - | - | 4,129 | 4,129 |
| Cash and cash equivalents | | - | - | 245 | 245 |
| Bank Balances other than cash and cash equivalents | | - | - | 73 | 73 |
| Security deposits | 4 | - | - | 2,084 | 2,084 |
| Loans | | - | - | - | - |
| Total financial assets | | - | - | 6,531 | 6,531 |
| Financial Liabilities | | | | | |
| Borrowings | 13 & 17 | - | - | 42,649 | 42,649 |
| Lease Liabilities | 41 | - | - | 24 | 24 |
| Trade payables | 18 | - | - | 5,891 | 5,891 |
| Others | 19 | - | - | 8,099 | 8,099 |
| Total financial liabilities | | - | - | 56,663 | 56,663 |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2023 | Notes | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|---------------|---------------|
| Financial assets | | | | | |
| Trade receivables | | - | - | 4,180 | 4,180 |
| Cash and cash equivalents | | - | - | 29 | 29 |
| Bank Balances other than cash and cash equivalents | | - | - | 80 | 80 |
| Security deposits | 4 | - | - | 2,261 | 2,261 |
| Loans | | - | - | - | - |
| Total financial assets | | - | - | 6,551 | 6,551 |
| Financial Liabilities | | | | | |
| Borrowings | 13 & 17 | - | - | 43,567 | 43,567 |
| Lease Liabilities | 41 | - | - | 40 | 40 |
| Trade payables | 18 | - | - | 5,826 | 5,826 |
| Others | 19 | - | - | 7,321 | 7,321 |
| Total financial liabilities | | - | - | 56,754 | 56,754 |

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation processes

Fair value of financial assets and liabilities measured at amortised cost

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------|----------------------|---------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| Loans | - | - | - | - |
| Security deposits/Other Financial Assets | 2,084 | 2,084 | 2,261 | 2,261 |
| Total financial assets | 2,084 | 2,084 | 2,261 | 2,261 |
| Financial Liabilities | | | | |
| Borrowings | 42,649 | 42,649 | 43,567 | 43,567 |
| Lease Liability | 24 | 24 | 40 | 40 |
| Total financial liabilities | 42,673 | 42,673 | 43,607 | 43,607 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note - 33: Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

| Risk | Exposure arising from | Measurement | Management |
|--------------------------------|--|--------------------------------|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost. | Ageing analysis Credit ratings | Diversification of bank deposits, credit limits and letters of credit |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign exchange | Recognised financial liabilities not denominated in Indian rupee (INR) | Sensitivity analysis | Availability of committed credit lines and borrowing facilities |
| Market risk - interest rate | Long-term and Short-term borrowings at variable interest rates. | Sensitivity analysis | Availability of committed credit lines and borrowing facilities |

The Group's risk management is carried out by the treasury team under policies approved by the board of directors of the respective companies. The treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

(i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Group assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

- (ii) Provision for expected credit losses

The Group provides for expected credit loss based on the following:

| Internal rating | Category | Description of Category | Basis of recognition of expected credit loss provision | |
|-----------------|---|---|--|--|
| | | | Loans and security deposits | Trade receivables |
| VL 1 | High-quality assets, negligible credit risk | Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil | 12-month expected credit losses | Life-time expected credit losses (simplified approach) |
| VL 2 | Quality assets, low credit risk | Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past | | |
| VL 3 | Standard assets, moderate credit risk | Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong | | |
| VL 4 | Substandard assets, relatively high credit risk | Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due | Life-time expected credit losses | |
| VL 5 | Low quality assets, very high credit risk | Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due | | |
| VL 6 | Doubtful assets, credit-impaired | Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. | Assets being written off | |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

| Internal rating | Category | Description of category | Basis for recognition of expected credit loss provision | | |
|-----------------|---|---|---|----------------------------------|--|
| | | | Investments | Loans and deposits | Trade receivables |
| VL 1 | High quality assets, negligible credit risk | Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil | 12-month expected credit losses | 12-month expected credit losses | Life-time expected credit losses (simplified approach) |
| VL 2 | Quality assets, low credit risk | Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past | | | |
| VL 3 | Standard assets, moderate credit risk | Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong | | | |
| VL 4 | Substandard assets, relatively high credit risk | Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due | Life-time expected credit losses | Life-time expected credit losses | |
| VL 5 | Low quality assets, very high credit risk | Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due | | | |
| VL 6 | Doubtful assets, credit-impaired | Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. | Asset is written off | | |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Year ended March 31, 2024:

(a) Expected credit loss for loans and security deposits

| Particulars | | Asset group | Internal credit rating | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|--|-----------------------------|------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans and Security deposits | VL 1 | 36 | 0% | - | 36 |

(b) Expected credit loss for trade receivables under simplified approach:

| Ageing | 0 to 180 | 181 to 365 | 366 to 730 | > 731 | Total |
|---|--------------|------------|------------|------------|--------------|
| Gross carrying amount | 3,109 | 82 | 616 | 807 | 4,613 |
| Expected loss rate | 0.50% | 5.00% | 10.00% | 50.00% | |
| Expected credit losses (Loss allowance provision) | 16 | 4 | 62 | 403 | 485 |
| Provision carried in books # | 16 | 4 | 62 | 403 | 485 |
| Carrying amount of trade receivables (net of impairment) | 3,093 | 78 | 554 | 403 | 4,129 |

Year ended 31 March 2023:

(a) Expected credit loss for loans and security deposits

| Particulars | | Asset group | Internal credit rating | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|--|-----------------------------|------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans and Security deposits | VL 1 | 37 | 0% | - | 37 |

(b) Expected credit loss for trade receivables under simplified approach

| Ageing | 0 to 180 | 181 to 365 | 366 to 730 | > 731 | Total |
|---|--------------|------------|------------|------------|--------------|
| Gross carrying amount | 2,737 | 877 | 400 | 565 | 4,579 |
| Expected loss rate | 0.50% | 5.00% | 10.00% | 50.00% | - |
| Expected credit losses (Loss allowance provision) | 14 | 44 | 40 | 282 | 380 |
| Provision carried in books # | 14 | 44 | 40 | 301 | 399 |
| Carrying amount of trade receivables (net of impairment) | 2,723 | 833 | 361 | 264 | 4,180 |

Provision carried in books include provision made on specific identification.

(iii) Reconciliation of loss allowance provision- Loans and deposits

There are no loss allowance provision created for the loans and deposits.

(iv) Reconciliation of loss allowance provision – Trade receivables

| | |
|--|------------|
| Loss allowance on 1 April 2023 | 399 |
| Changes in loss allowance | 86 |
| Loss allowance on March 31 2024 | 485 |

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The funding sources of the Company include short-term working capital loans from banks.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Floating rate | | |
| - Expiring within one year (bank overdraft) | 2,396 | 1,478 |
| - Expiring beyond one year (bank loans) | - | - |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

| Particulars | Less than 3 months | 3 months to 6 months | 6 months to 1 year | Between 1 and 2 years | Between 2 and 5 years | Total |
|---|--------------------|----------------------|--------------------|-----------------------|-----------------------|---------------|
| 31 March 2024 | | | | | | |
| Non-derivatives | | | | | | |
| Borrowings | 1,904 | | | | 40,745 | 42,649 |
| Lease Liability | | | | 3 | 21 | 24 |
| Trade payables | 5,891 | | | | | 5,891 |
| Other financial liabilities | 3,467 | 2,009 | 10 | 2,613 | | 8,099 |
| Total non-derivative liabilities | 11,262 | 2,009 | 10 | 2,616 | 40,766 | 56,663 |
| 31 March 2023 | | | | | | |
| Non-derivatives | | | | | | |
| Borrowings | 5,822 | - | - | - | 37,745 | 43,567 |
| Lease Liability | 0 | - | 2 | 11 | 27 | 40 |
| Trade payables | 5,826 | - | - | - | - | 5,826 |
| Other financial liabilities | 3,003 | 1,678 | 2,613 | - | - | 7,294 |
| Total non-derivative liabilities | 14,652 | 1,678 | 2,615 | 11 | 37,772 | 56,726 |

(C) Market risk

(i) Foreign currency risk

The Group is not exposed to foreign exchange risk arising from foreign currency transactions during the year. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the Company's functional currency (INR).

a) Foreign currency exposure

The Group's exposure to foreign currency risk at the end of the current and previous reporting period is Nil.

(ii) Interest rate risk

The Group's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The Group monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavorable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

a) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|----------------------|----------------------|
| Variable rate borrowings | 1,904 | 5,822 |
| Fixed rate borrowings | 40,745 | 37,745 |
| Total | 42,649 | 43,567 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact on Profit after tax | |
|--|----------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Interest rates – increase by 70 basis points * | 13.33 | 40.76 |
| Interest rates – decrease by 70 basis points* | (13.33) | 40.76 |

* Holding all other variables constant

Note-34: Capital management

(a) Risk management

For the purpose of capital management, capital includes issued equity capital attributable to the holding company.

The company's objectives when managing capital are to;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|----------------------|----------------------|
| Net debt | 52,252 | 54,269 |
| Total equity | 29,714 | 33,372 |
| Net debt to equity ratio | 1.76 | 1.63 |

(i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and Year Ended March 31, 2023

(b) Dividends

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (i) <u>Equity shares</u> | | |
| Dividend for the year ended March 31, 2024 | | - |
| Dvidend for the year ended March 31, 2023 | - | - |
| (i) <u>Dividends not recognised at the end of the reporting period</u> | | |
| Directors has not recommended any dividend for the year ended March 2024 | - | - |

Note-35 : Segment information

(a) Description of segments and principal activities

The Group has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes. Operating segment disclosures are constant with the information provided to and reviewed by the chief operating decision maker.

| | |
|--------------------|-------------------------------------|
| Reportable segment | Product/ Services |
| Cement | Manufacturing and trading of cement |
| Power plant | Generation of power |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

| Particulars | Year ended March 31, 2024 | | | Year ended March 31, 2023 | | |
|---|-----------------------------|---------|----------|----------------------------------|---------|----------|
| | Cement | Power | Total | Cement | Power | Total |
| Segment revenue | 62,390 | 5,568 | 62,390 | 65,661 | 6,404 | 72,065 |
| Less : Inter segment revenue | - | (5,568) | (5,568) | - | (5,915) | (5,915) |
| Total revenue from operations | 62,390 | - | 56,822 | 65,661 | 489 | 66,150 |
| Segment result (Profit before tax and interest) from each segment | (1,817) | - | (1,817) | (3,130) | 163 | (2,967) |
| Less : Interest | - | - | 3,221 | - | - | (3,447) |
| Total Profit/(Loss) before tax | - | - | (5,038) | - | - | (6,414) |
| Capital employed (Segment assets - segment liabilities) | As at March 31, 2024 | | | Year ended March 31, 2023 | | |
| Segment assets | 93,196 | 6,878 | 1,00,074 | 97,001 | 7,080 | 1,04,081 |
| Segment liabilities | 70,177 | 182 | 70,360 | 70,309 | 105 | 70,414 |

(b) Major Customers in Cement Segment

15% of Revenue is coming from 9 customers in cement segment.

Note-36 :Related party transactions

As per Ind AS 24, the disclosure of transactions with the related parties are given below

The related party relationships is as identified by the company and relied upon by the auditor.

(a) Holding entities

The Company is controlled by following entity:

| Name of entity | Ownership interest held by the Ultimate Holding company | | | |
|--|---|--|----------------------|----------------------|
| | Place of Incorporation | Registered Address | As at March 31, 2024 | As at March 31, 2023 |
| Chettinad Cement Corporation Private Limited | India | Chettinad Towers, No.603, Anna Salai, Chennai- 600006, Tamil Nadu, India | 75% | 75% |

(b) Fellow Subsidiaries

| Name of entity | Ownership interest held by the Ultimate Holding company | | | |
|---|---|---|----------------------|----------------------|
| | Place of Incorporation | Registered Address | As at March 31, 2024 | As at March 31, 2023 |
| Belaire Apartments Private Limited | India | Plot No.18, Block No.1 Rajmahal Vilas, 2nd Stage Bengaluru KA - 560094 IN | 100% | 100% |
| Associated Cement Holdings Private Limited* | India | Chettinad Towers, No. 603, Anna Salai, Chennai- 600006, Tamil Nadu, India | 100% | 0% |
| Emerald Property & Power Developers Private Limited** | India | Chettinad Towers, No. 603, Anna Salai, Chennai- 600006, Tamil Nadu, India | 57% | 0% |

* During the financial year 2023-24, Associated Cement Holdings Private Limited was a subsidiary of the Chettinad Cement Corporation Private Limited, the holding company of the Company.

** During the financial year 2023-24, Emerald Property & Power Developers Private Limited was a subsidiary of the Chettinad Cement Corporation Private Limited, the holding company of the Company.

(c) Key management personnel(KMP) of the reporting company and holding company of the reporting company.

Mr. M A M R Muthiah, Managing Director of Ultimate Holding Company

Mr. N. Venkat Raju, Managing Director of Reporting Company

Mr.R.S.Ramanjaneyulu, Chief Financial Officer - till 26th September, 2023

Mr.Subhanaryan Muduli, Company Secretary

Mr.Rajesh Kumar Dhoot, Chief Financial Officer - with effect from 1st October, 2023

Mrs. V. Valliammai, Non Executive Director of the Reporting Company

Mrs. S.B Nirmalatha, Non Executive Director of the Reporting Company

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Mr. Gopal Perumal, Non Executive Director of the Reporting Company - with effect from 23rd June, 2023

Mr. Palani Ramkumar, Non Executive Director of the Reporting Company - with effect from 11th August, 2023

Mrs. R.M.Palaniappan, Non Executive Director of the Reporting Company

Mr. A.Subramanian, Non Executive Director of the Reporting Company - till 22nd September, 2023

Key management personnel compensation

Managing Director

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Short-term employee benefits | 162 | 134 |
| Post-employment benefits* | 9 | 7 |
| Total compensation | 171 | 141 |

* This does not include gratuity based on actuarial valuation as this is done for the company as a whole

(d) Related Parties

Entities controlled or jointly controlled by a person identified (c) above :

Chettinad Morimura Semiconductor Material Private Limited

Chettinad Inland Water Transport Services Private Limited

Hyderabad Computer and Software Services Private Limited

Chettinad Realtors Private Limited

Chettinad Lignite Transport Services Private Limited

(e) Enterprises who has Common Directors

Chettinad Logistics Private Limited

Chettinad Holdings Private Limited

(f) Transactions with related parties

The following transactions occurred with related parties:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Holding Company | | |
| Chettinad Cement Corporation Private Limited | | |
| Purchase of goods | 1,821 | 3,885 |
| Sale of goods | 3,181 | 14 |
| Rent Paid | 1 | 1 |
| Rent Received | 1 | 1 |
| Dividend Paid | - | 569 |
| ICD Interest Paid/Accrued | 2,858 | 2,526 |
| ICD Received | 3,000 | 2,300 |
| ICD Repaid | - | 8,055 |
| Common Director | | |
| Chettinad Holding Private Limited | 13 | 54 |
| Chettinad Logistics Private Limited | | |
| -Coal Purchase | 2,051 | 411 |
| -Transportation | 263 | 86 |

(i) Outstanding balances arising from sales/purchases of goods and services

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Holding Entity | | |
| Chettinad Cement Corporation Private Limited Receivable against sale of goods | 8 | 0 |
| Payable against purchase of goods | 191 | 215 |
| Inter Corporate Deposit (Principal and Interest payable) | 42,684 | 39,345 |
| Common Director | | |
| Chettinad Holding Private Limited | - | 6 |
| Chettinad Holding Private Limited - Rental Deposit | 5 | 5 |
| Chettinad Logistics Private Limited | - | 91 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note -37 :Contingent liabilities and contingent assets

(a) Contingent liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Claims against the Group not acknowledged as debts | | |
| Income tax related | 330 | 330 |
| Excise related * | 180 | 180 |
| Customs related ** | 130 | 130 |
| Entry Tax | 25 | 25 |
| Others | 95 | 138 |
| Total | 760 | 803 |

*Does not include penalty amount of INR 180.32 Lakhs

**Does not include penalty amount of INR 103.70 Lakhs

During the FY 2020-21, Company has received a notice from Superintendent of Engineer, Southern Power Distribution Company of Telangana Limited, Suryapet purporting to claim and demand Rs.16,95,38,278/- (Rupees Sixteen Crores Ninety Five lakhs Thirty Eight thousand Two hundred and Seventy Eight Only) towards difference in wheeling charges and interest thereon pursuant to the judgment dated 29.11.2019 of the Hon'ble Supreme court. Company has approached to Hon'ble High court of Telangana State, Hyderabad and filed the writ petition on the ground that the demand raised is unauthorized and legally untenable as the Company was not party to any wheeling agreement entered into with transmission/distribution Licensee. The Hon'ble High Court of Telangana has granted stay order to the said demand and hence the demand raised is not considered as contingent liability

(b) Contingent assets

The Group does not have any contingent assets as at March 31, 2024 and March 31, 2023

Note-38 :Commitments

Capital commitments (net of capital advances)

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 1,495 | 917 |
| Other Commitments | - | - |
| Total | 1,495 | 917 |

Note-39: Other Disclosure

(a) Dues to Micro and Small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year | - | - |
| Principal amount | 1,126.09 | 779.10 |
| Interest due on above | - | - |
| ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period | - | - |
| iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | - | - |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

(b) Corporate Social Responsibility (CSR)

Section 135(1) of the Companies Act, 2013 stipulates that the group is not required to spend any amount on CSR activity for the Financial year 2023-24.

| S. No | Particulars | FY 2023-24 | FY 2022-23 |
|-------|---|---|---|
| 1 | Amount required to be spent by the group during the year(Refer Note) | - | 213 |
| 2 | Amount of expenditure incurred(Refer Note) | 66 | 213 |
| 3 | Shortfall at the end of the year | - | - |
| 4 | Total of previous years Excess amount adjustment | - | - |
| 5 | Reason for shortfall | NA | NA |
| 6 | Excess considered for carry forward to subsequent year | NA | 16 |
| 7 | Nature of CSR activities | Promoting Education, Rural Development, Health Care, Hygiene & Sanitation | Promoting Education, Rural Development, Health Care, Hygiene & Sanitation |
| 8 | Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| 9 | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | NA | NA |

Note -40 :Earnings per share

(a) Basic earnings per share

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Basic earnings per share attributable to the equity holders of the Company in Rupees | (13.30) | (22.35) |

(b) Diluted earnings per share

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Diluted earnings per share attributable to the equity holders of the Company in Rupees | (13.30) | (22.35) |

(c) Reconciliations of earnings and number of shares used in calculating earnings per share

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Basic/Diluted earnings per share | | |
| Profit /(Loss) attributable to equity holders of the company used in calculating basic/diluted earnings per share | (3,907) | (5,814) |
| Weighted average number of Equity Shares outstanding during the period(In Number) | 2,93,74,764 | 2,60,13,886 |
| Profit /(Loss) attributable to equity holders of the company used in calculating basic/diluted earnings per share | (3,907) | (5,814) |

Note-41 : Leases

Disclosures as per Ind AS 116:

The weighted average incremental borrowing rate applied to lease liabilities is 9 %

in Lakhs

| Particulars | Right of use (ROU)- Building |
|--|------------------------------|
| Opening Balance as on 1 st April 2023 | 39 |
| Add: Additions | 2 |
| Less: Deletions | - |
| Less: Depreciation | 16 |
| Closing Balance as on 31st March 2024 | 25 |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

The following is the break-up of current and non-current lease liabilities as at March 31, 2024

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|-----------------------------|-------------------------------|-------------------------------|
| Current Lease Liability | 3 | 2 |
| Non Current Lease Liability | 21 | 38 |
| Total | 24 | 40 |

The following is the movement in lease liabilities during the year ended March 31, 2024

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| Balance at the beginning | 40 | 409 |
| Additions | 6 | 38 |
| Finance Cost accrued during the period | 3 | 10 |
| Less: Deletion | - | 326 |
| Less: Payment of lease liabilities | 25 | 91 |
| Translation Difference | - | - |
| Balance at the end | 24 | 40 |

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|----------------------|-------------------------------|-------------------------------|
| Less than one year | - | - |
| One to five years | 24 | 44 |
| More than five years | - | - |
| Total | 24 | 44 |

Note-42 : Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Current | | |
| Financial assets | | |
| <i>First charge</i> | | |
| Trade receivables | 4,129 | 4,210 |
| Cash and cash equivalents | 245 | 29 |
| Bank Balances other than cash and cash equivalents | 73 | 80 |
| Others | 1,918 | 304 |
| Non-financial assets | | |
| <i>First charge</i> | | |
| Inventories | 5,711 | 6,805 |
| Other current assets | 1,205 | 723 |
| Total current assets pledged as security | 13,281 | 12,151 |
| Non-Current | | |
| <i>First charge</i> | | |
| Plant and machinery | - | 5,850 |
| Furniture and fixtures | - | - |
| Office equipment | - | - |
| Vehicles | - | - |
| Total non-current assets pledged as security | - | 5,850 |
| Total assets pledged as security | 13,281 | 18,001 |

Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Note -43 : No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company and its subsidiary to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its subsidiary (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company and its subsidiary from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company and its subsidiary shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note -44: The Board of Directors of the Company at its meeting held on 09.01.2024 had considered and approved the draft Scheme of Amalgamation of Bhavya Cements Private Limited, a subsidiary of the Company into and with the Company and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, subject to the requisite statutory and regulatory approvals. Further, the Company is in process of obtaining the requisite statutory and regulatory approvals.

Note-45: The company and its subsidiary are using accounting software for maintaining its books of account having the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. The feature of recording audit trail (edit log) facility at database level is enabled.

Note-46: Events occurring after the reporting period

No events were noted after the reporting period which require an adjustment nor disclosure as provided under Ind AS 10.

Note-47: Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

As per our report of even date

For and on behalf of the Board

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

N Venkat Raju
Managing Director
(DIN: 08672963)
Place: Hyderabad

V. Valliammai
Director
(DIN: 01197421)

Palani Ramkumar
Director
(DIN: 09207219)

C. Kameshwar Rao
Partner
Membership No : 024363

S.B. Nirmalatha
Director
(DIN: 03092392)

Gopal Perumal
Director
(DIN: 06630431)

Umesh Prasad Patnaik
Director
(DIN: 10619857)

Place : Hyderabad
Date: 27th May 2024

Rajesh Kumar Dhoot
Chief Financial Officer
PAN: ADMPD3180B

Subhanarayan Muduli
Company Secretary
M. No.A 41513

Place : Chennai
Date: 27th May 2024



Anjani Portland Cement Limited

Regd Office:

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