



# HEMADRI CEMENTS LIMITED

Admin. Office : No. 3, Veerasamy Street, III Floor, West Mambalam, Chennai - 600 033.

Phone : 044-4390 7054, 4390 7062 / 4390 7068 Fax : 044-4390 7031 / 28

CIN : L26942AP198IPLC002995

04-09-2021

To

**BSE Limited**

Department of Corporate Services  
P.J. Towers, Dalal Street,  
Mumbai 400 001

**Scrip Code 502133**

**ISIN: INE07BK01011**

Dear Sir/Madam,

**Sub: Submission of Annual Report for the Financial Year 2020-21, pursuant to Regulation 34(1)(a) of SEBI (LODR) Regulations, 2015.**

**Reference: In addition to the letter dated 3<sup>rd</sup> September, 2021 intimating 39<sup>th</sup> AGM Date, Cutoff date & Book Closure Date**

Please refer the above captioned subject, we are enclosing herewith the Notice of the 39<sup>th</sup> AGM & 39<sup>th</sup> Annual Report for the Financial Year 2020-21.

Please be informed that the 39<sup>th</sup> Annual Report for the Financial Year 2020-21 comprising the Notice of the 39<sup>th</sup> AGM is also being sent through electronic mode to all the members of the Company whose email address(es) are registered with the Company / Company's RTA.

39<sup>th</sup> Annual Report containing the AGM Notice is hosted / uploaded on the Company's website at the following link [http://www.hemadricements.com/annual\\_reports.php](http://www.hemadricements.com/annual_reports.php).

The above is for your information and records please.

Thanking you,  
Yours sincerely

For **HEMADRI CEMENTS LIMITED**

*M. Muthulakshmi*  
4/9/21

**M MUTHULAKSHMI**  
**COMPANY SECRETARY**

Encls.: As above

**Regd. Office & Factory : Vedadri Village - 521 457, Jaggaiahpet Mandal, Krishna Dist., A.P. (India)**

Phone : Jaggaiahpet 08678 - 284538 Fax : 08678 - 284859



# HEMADRI CEMENTS LIMITED

39<sup>th</sup> Annual Report  
2020-2021

## HEMADRI CEMENTS LIMITED FIVE YEARS' FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

Parameters / Year	2020-21	2019-20	2018-19	2017-18	2016-17
<b>OPERATING RESULTS</b>					
Net Sales	9548.72	7009.82	7541.70	8461.90	8542.13
Profit Before Tax	391.32	43.12	67.67	91.23	774.39
Profit After Tax	120.36	13.80	102.80	48.74	102.57
Net Cash Accrual	716.96	77.32	97.09	765.58	872.58
Dividend [incl. Div. Tax]	Nil	Nil	Nil	Nil	Nil
<b>SOURCES &amp; APPLICATION OF FUNDS</b>					
<b>SOURCE OF FUNDS</b>					
Equity Share Capital	667.00	667.00	667.00	667.00	667.00
Reserves & Surplus	4241.19	4119.76	4113.93	4017.74	3860.15
Profit and Loss Account	121.43	5.83	96.20	55.01	102.57
Net Worth	4908.19	4786.76	4780.93	4684.74	4,629.72
Loan Funds	Nil	Nil	Nil	Nil	Nil
Deferred Tax Liability [Net]	156.20	33.55	5.99	51.42	31.81
<b>APPLICATION OF FUNDS</b>					
Fixed Assets: Net [Incl. WIP]	1666.58	1849.77	1013.94	1054.98	1106.82
Investments	60.00	60.00	60.00	60.00	60.00
Net Current Assets	1806.13	854.44	798.41	1539.96	1545.76
Net Assets	3532.71	2764.21	1872.35	2654.94	2,712.58
<b>RATIOS</b>					
PBT to Sales (%)	4.10	0.62	0.90	1.08	9.07
PAT to Sales (%)	1.26	0.20	1.36	0.58	1.20
Earnings per share	1.82	0.09	1.44	0.82	1.54

**BOARD OF DIRECTORS**

SHRI P. RAVI  
SHRI D.B.N. RAO  
DR.(Ms) R. ANANDA PRIYA  
SHRI GOPALSAMY RAJAN  
DR. SIVASAMY RAJU

CHAIRMAN  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR

**KEY MANAGERIAL PERSONNEL**

SHRI P. RAVI  
SHRI SANJAY D MUKHERJEE  
SHRI C. MOHANA KRISHNA  
MRS.M. MUTHULAKSHMI

WHOLE TIME DIRECTOR  
CHIEF EXECUTIVE OFFICER  
CHIEF FINANCIAL OFFICER  
COMPANY SECRETARY

**AUDIT COMMITTEE**

SHRI D.B.N. RAO  
DR. SIVASAMY RAJU  
DR. (Ms) R. ANANDA PRIYA

**NOMINATION AND REMUNERATION COMMITTEE**

SHRI D.B.N. RAO  
DR. SIVASAMY RAJU  
DR. (Ms) R. ANANDA PRIYA

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

SHRI P. RAVI  
SHRI D.B.N. RAO  
DR. SIVASAMY RAJU

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

SHRI P. RAVI  
SHRI D.B.N. RAO  
DR. SIVASAMY RAJU

**AUDITOR**

M/s B.PURUSHOTTAM & CO.  
CHARTERED ACCOUNTANTS  
3-D, PIONEER HOMES,  
23/A, NORTH BOAG ROAD,  
T.NAGAR, CHENNAI - 600 017

**BANKER**

AXIS BANK LIMITED

**REGISTRAR AND SHARE TRANSFER AGENT**

XL SOFTECH SYSTEMS LIMITED  
SEBI REGISTRATION NO. INR000000254  
PLOT NO - 3, SAGAR SOCEITY, ROAD NO.2,  
BANJARA HILLS, HYDERABAD – 500 034  
CONTACT NO: 040-2354 5914  
E-MAIL ID: XLFIELD@GMAIL.COM

**ADMINISTRATIVE OFFICE**

NO.3, VEERASAMY STREET,  
WEST MAMBALAM, CHENNAI 600 033.  
CONTACT NO: 044 - 4390 7067

**REGD. OFFICE & FACTORY**

VEDADRI VILLAGE, JAGGAYYAPET MANDAL  
KRISHNA DISTRICT,  
ANDHRA PRADESH- 521 457.  
PHONE : (08678) 284538

<b>Contents</b>	<b>Page No.</b>
Notice to the Share Holders,	01
Directors' & Other Reports to the Share Holders	15
Independent Auditor's Report	48
Balance Sheet	59
Statement of Profit and Loss	60
Cash Flow Statement	61
Statement of change in equity	62
Notes to Financial Statements	63

## NOTICE TO THE MEMBERS

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting of the Members of **HEMADRI CEMENTS LIMITED** will be held on **Monday, the 27<sup>th</sup> day of September 2021 at 2.30 P.M.**, through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, the Report of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr. P. Ravi (DIN: 00675665) who retires by rotation and being eligible offers himself for reappointment.

### SPECIAL BUSINESS

3. **Appointment of Mr. Sivasamy Raju (DIN: 06961330) as a Director**

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 149, 150, 152 and 161 read with schedule IV and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any amendments, statutory modifications or re-enactments thereof for the time being in force and the relevant provision of the SEBI (LODR) Regulation, 2015 as amended, Mr. Sivasamy Raju (DIN: 06961330), who was appointed as an Additional Director (and categorized as “Independent Director”) of the Company with effect from 31<sup>st</sup> March 2021, by the board of Directors, based on the recommendations of the Nomination and Remuneration Committee and who holds office as an Additional Director up to the date of this Annual General Meeting of the company and who has submitted a declaration that he meets the criteria for independence as provided in the relevant provisions, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five years with effect from 31<sup>st</sup> March 2021.”

4. **To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and related amendments thereto, Mr. Badri Narayanrao Dabbir (DIN: 01180539), be continued as an Independent Director of the Company for the second term of 5 years effective from 27<sup>th</sup> September 2019 till the conclusion of the 42<sup>nd</sup> AGM of the Company to be held in the year 2024, notwithstanding that during the aforesaid tenure, on 14<sup>th</sup> April 2022 he attains the age of 75 years”

**//By Order of the Board//  
For HEMADRI CEMENTS LIMITED**

sd/-

**Place: Chennai  
Date: 27.08.2021**

**PACHAMUTHU RAVI  
WHOLETIME DIRECTOR  
DIN-00675665**

**NOTES:**

1. The Explanatory statement, pursuant to section 102 of the Companies Act, 2013, in respect of the business item no.3 and item no.4 of the Notice of AGM is given below.
2. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company i.e. Vedadri Village -521457, Jaggaiahpet Mandal, Krishna District, Andhra Pradesh.
3. **Members seeking any information with regard to the Accounts, are requested to write to the Company to “cs@hemadricements.com” atleast 7 working days prior to the date of the meeting, so as to enable the Management to keep the information ready at the meeting.**
4. The notice and the Annual Report of the Company is being sent to the members through electronic mode whose e-mail IDs are registered with the Company. Members whose email IDs are not registered are requested to get the same registered with the Company by sending an E mail to: cs@hemadricements.com.

5. Corporate Members intending to authorise their representatives to attend the meeting pursuant to Section 113 of the Act, are requested to email certified copy of the Board / governing body resolution / authorisation etc., authorising their representatives to attend and vote on their behalf to [cs@hemadricements.com](mailto:cs@hemadricements.com)
6. All statutory registers of the Company that are permissible to be inspected by the Members, will be made available for inspection through electronic mode during the AGM and also from the date of circulation of this Notice upto the date of AGM, i.e. Monday, 27th September 2021. Members seeking inspection of the aforementioned documents can send an e-mail to [cs@hemadricements.com](mailto:cs@hemadricements.com).
7. Members, holding shares as on the cut-off date i.e. 20<sup>th</sup> September 2021 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by mentioning their name, demat account number/folio number, email id, mobile number at [cs@hemadricements.com](mailto:cs@hemadricements.com) and clicking on 'Speaker Registration' during the period from 21<sup>st</sup> September 2021 (9:00 a.m. IST) up to 23<sup>rd</sup> September 2021 (3:00 p.m. IST) (Book closure date). Those Members who have registered themselves as a speaker will only be allowed to speak /express their views / ask questions during the AGM or these queries will be replied to by the company suitably by email. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
8. Instructions for e-voting prior and at the AGM are given as Annexure A to this Notice.

### **EXPLANATORY STATEMENT**

To the Notice convening the 39<sup>th</sup> Annual General Meeting of the Company in accordance with the requirement of Section 102 of the Companies Act 2013.

#### **Item no.3:**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company by way of circular resolution at its meeting held on 31.03.2021 by way of circulation, had appointed Dr. Sivasamy Raju as an Additional Director and designated as an Independence Director with effect from 31<sup>st</sup> March 2021. As per the provisions of section 161 of the Companies Act, 2013 Dr. Sivasamy Raju will hold office only up to the date of the forthcoming Annual General Meeting of the company. Dr. Sivasamy Raju is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.



The Company has received a declaration from Dr. Sivasamy Raju as per the provisions of the Companies Act, 2013 and as well as the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 that he meets the criteria of Independence. In the opinion of the Board, Dr. Sivasamy Raju fulfils the criteria of Independence as specified in the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company. Dr. Sivasamy Raju is not debarred from holding the office of Directors by virtue of any order of SEBI/ any other Authority.

Name	Dr. Sivasamy Raju
DIN	06961330
Age	54 Years
Date of Birth	27.12.1967
Qualification	MBBS, M.D
Terms and Condition of Appointment	Non Executive Independent Director
Date of Appointment	31.03.2021
Shareholding in Company	200 Shares
Number of board meetings attended during the year 2021	NA
Directorship in other companies	1. M/s. Trac Media Private Limited 2. M/s. SRM Hotels Private Limited
Brief Profile	Dr. Sivasamy Raju completed his MBBS from Chengalpattu Medical College and did his specialization in MD Anesthesiology from Sri Ramachandra Medical College and Research Institute. He has also completed his PDCC – Cardiac Anaesthesia at Apollo Main Hospital, Chennai. He has close to 2 decades of Healthcare Experience which is aiding him in his new avatar as a Healthcare Administrator.
Membership / Chairmanship of other Committees	Given under Corporate Governance Report

None of the Directors / Key Managerial personnel of the company and their relatives are interested or concerned in the resolution except Mr. Sivasamy Raju.

#### Item no.4:

Mr. Badri Narayanrao Dabbar, aged 74 years was re-appointed as an Independent Director at the 37<sup>th</sup> AGM of the Company, for a second consecutive term of 5 years from 27<sup>th</sup> September 2019 to till the conclusion of the 42<sup>nd</sup> AGM. Mr. Badri Narayanrao Dabbar will be attaining the age of 75 years on 14<sup>th</sup> April 2022. In view of the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the continuation of Mr. Badri Narayanrao Dabbar as a Non- Executive Independent

Director, consent of the Members is required by way of a Special Resolution.

Considering his qualifications, versatile knowledge and rich experience in the cement Industry, Board of Directors proposed to retain him on the Board of the Company, as an Independent Director notwithstanding attaining the age of 75 Years.

Board of Directors of the Company recommended this item, for the approval of the shareholders of the Company by way of Special Resolution.

A brief profile of Mr. Badri Narayanrao Dabir required under regulation 17(1A) of Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, is given below.

Name	Mr. Badri Narayan Rao Dabir
DIN	01180539
Age	74 years
Date of Birth	14.04.1947
Qualification	B.E.
Expertise in specific area	Cement, Building materials and Mining
Share holding in the Company	Nil
Directorship in other Companies	1. M/s. Sanghi Industries Limited 2. M/s. Seetharam Cements Limited 3. M/s. Sanghi Cements Limited 4. M/s. Sai Hemaja Aerobricks Private Limited
Brief Profile	He has more than 50 years of experience in cement products and mining. He has held various positions in the past like Chairman of Civil Engineering Divisional Council for Cement and Concrete, BIS and Ministry of Consumer Affairs, New Delhi, Director General of Building Materials and Technology Promotion Council, National Council for Cement and Building Materials, Ministry of Industries and Commerce, New Delhi
Membership/ Chairmanship of other committees	Given under Corporate Governance Report

None of the Directors / Key Managerial personnel of the company and their relatives are interested or concerned in the resolution except Mr. Badri Narayan Rao Dabir.

**//By Order of the Board//  
For HEMADRI CEMENTS LIMITED**

sd/-

**Place: Chennai  
Date: 27.08.2021**

**PACHAMUTHU RAVI  
WHOLETIME DIRECTOR  
DIN-00675665**

## Annexure A to the Notice of the 39th AGM

### Information and Instructions relating to e-voting are as under:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. 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. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.hemadriцемents.com](http://www.hemadriцемents.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins at 10 AM on Friday, the 24<sup>th</sup> September 2021 and ends at 5 pm on Sunday the 26<sup>th</sup> September 2021. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful log in the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/Ideas Direct Reg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on</p>

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.

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

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

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



- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@hemadricements.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHARE HOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING AREAS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting

mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

## DIRECTORS' REPORT

**Dear Members,**

Your Directors herein present the Company's 39<sup>th</sup> Annual Report and the Audited Financial Statements of the Company for the FY ended 31<sup>st</sup> March 2021.

### FINANCIAL RESULTS

The performance of the Company for the FY ended 31<sup>st</sup> March 2021 is as given below:

### FINANCIAL HIGH LIGHTS FOR THE YEAR: (Rs. In Lakhs)

Particulars	Year ended 2020-21	Year ended 2019-20
Gross Turnover	9586.83	7052.44
Profit /(loss) before interest, depreciation and tax	593.47	228.52
Less Interest	8.05	79.57
Profit/(Loss) before depreciation and tax	585.42	148.95
Less Depreciation	194.11	105.83
Profit / (Loss) before Tax	391.31	43.12
Tax Expenses:		
Current Tax	148.71	0.00*
Deferred Tax	122.24	29.32**
Profit / (Loss) after Tax	120.36	13.80
Other Comprehensive income	1.06	(7.97)
Total Comprehensive Income	121.43	5.83

\* adjusted against MAT credit

\*\* includes excess provision reversed

### PERFORMANCE OF THE COMPANY

The turnover of your Company for the FY 2020-21 was Rs.9586.83 Lakhs despite increased supply over demand and addition of large capacity by major cement producers. The prices of cement remained muted as per the study of Rating Agencies like ICRA, India Ratings and CRISIL. This had also curtailed the growth in operating profits across the sector. The impact of pandemic (Covid-19) was also felt in the overall performance of the Company.

Besides the general industry scenario, there was sluggishness in demand for cement in the Andhra Pradesh market which continued to have its impact on the cement prices and further the sand problem in Andhra Pradesh impacted the construction industry, infrastructure growth etc. which

had a cascading effect on the cement industry which had thereby resulted in low pricing and weakened demand. However the factors like optimisation of cost of production, and other fixed costs, and proactive marketing efforts viz., focus on micro markets, marketing re-organization, and holding of regular meetings with the dealers, had all helped your Company in achieving the present numbers.

The detailed discussion and analysis of performance is elaborated in the Management Discussion Analysis which forms part of this Report.

### **DIVIDEND**

Your Directors do not recommend any dividend for the FY 2020-21, since your Company would need to plough back the profits for funding maintenance of the existing plant, more so during the prevailing pandemic situation and also for meeting future growth and development plans.

### **BOARD OF DIRECTORS**

As on 31<sup>st</sup> March, 2021 Your Company had 5 (five) Directors on its Board, of whom 4 (four) are Independent Directors and 1 (one) is Executive Director.

### **Appointment and resignation of Directors / Key Managerial Personnel**

During the year under review, in accordance with Section 152 of the Companies Act 2013, Mr. P. Ravi, Whole time Director, retires by rotation and being eligible offers himself for being reappointed at this Annual General Meeting. Notice of the 39<sup>th</sup> AGM includes an item for his re-appointment.

Mr. Sivaraman Vivekandan Murugan has resigned from the Board with effect from 27/02/2021. The Directors place on record their appreciation for his valuable contribution as member of the Board and other Committees.

The Board of Directors of the Company, had appointed Dr. Sivasamy Raju as an Additional Director and categorised as Independent Director with effect from 31/03/2021. Notice of the 39<sup>th</sup> AGM included an item for his regularization as a Director and requesting approval of the Shareholders, for appointment as an Independent Director.

A brief resume of the said Directors is given below

<b>Name</b>	<b>Mr.P.Ravi</b>	<b>Dr. Sivasamy Raju</b>
<b>DIN</b>	00675665	06961330
<b>Age</b>	54 years	54 years
<b>Qualification</b>	MBA	MBBS, MD
<b>Date of first appointment on the Board</b>	26.11.2010	31.03.2021
<b>Shareholding in the Company</b>	Nil	200 Shares
<b>List of other Directorships held</b>	Given under Related Party Transactions	1.M/s. Trac Media Private Limited 2.M/s. SRM Hotels Private Limited
<b>Membership / Chairmanship of other committees</b>	Given under Corporate Governance Report	Given under Corporate Governance Report

Mr. Badri Narayanrao Dabir (DIN:01180539), an Independent Director of the Company, would be attaining the age of 75 years in the month of April 2022 and his term as an Independent Director is upto year 2024 (AGM). In this regard, consent of the Shareholders to continue him as an Independent Director notwithstanding he attains the age of 75 years in the month of April 2022, during his 2<sup>nd</sup> term of re-appointment is requested. 39<sup>th</sup> AGM Notice contains an item for his continuation as an Independent Director.

#### **Declaration by the Independent Directors**

The Company has received declaration from the Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Key Managerial Personnel**

The Key Managerial Personnel (KMP) of the Company as on 31.03.2021, as per Section 2(51) and Section 203 of the Companies Act 2013 are:-

1. Sri P. Ravi, Chairman & Whole Time Director
2. Sri C. Mohanakrishna, CFO

#### **Changes in KMP's during the FY 2020-21:**

1. Resignation of Mr. Sivaraman Vivekanandan Murugan (CEO) with effect from 27/02/2021
2. Resignation of Mrs. Hema Nagarajan (Company Secretary) with effect from 27/02/2021

The Directors place on record their appreciation for their valuable contributions as KMP of the Company.

The Board of Directors has appointed Mr. Sanjay D Mukherjee as a Chief Executive Officer of the Company with effect from 1<sup>st</sup> July, 2021.

#### **Number of Meetings of the Board of Directors**

The Board met Four times during the financial year 2020-21 on 29.06.2020, 27.08.2020, 05.11.2020 and 11.02.2021. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. More details of the Board meetings have been provided in the 'Report on Corporate Governance', found elsewhere in the Annual Report.

#### **Formal Annual Evaluation**

The Board had carried out performance evaluation of itself, its Committees and each of the Directors (without participation of the concerned director). Independent Directors collectively evaluated the Board's performance, performance of the Chairman and other non-independent Directors. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The performance evaluation concluded on the note that each of the individual directors, Committees and the Board as a whole, were contributing towards the common goal of the Company and to improve the efficiency and performance of the organization in its entirety

#### **RISK MANAGEMENT POLICY**

The Audit Committee also functions as the Risk Management Committee and the Board also takes the responsibility in overseeing the risk management plan of the Company. The Risk Management Policy facilitates in identifying the risks associated with the operations of the Company and in giving suitable measures / solutions to mitigate the same. Risks identified in the business and functions are systematically addressed through mitigating actions on a continuous basis.

#### **VIGIL MECHANISM**

The Whistle Blower Policy of the Company provides a mechanism for employees / Board Members and others to raise “good faith concerns” about violation of any applicable law/ Code of Conduct of the Company and also provides for direct access to the Chairman of the Audit Committee. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

Your Company is not required to contribute to the CSR activities as per the extant provisions of the Companies Act 2013. However, your Company has generally been contributing to the welfare of the villages in and around the registered office of the Company, without any mandatory obligation.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

There were no loans, guarantees or investments exceeding the limits specified under Section 186 of the Companies Act, 2013 during the year under review.

**PUBLIC DEPOSITS**

The Company has not invited or accepted any fixed deposits from the public as stipulated under the provisions of the Companies Act 2013.

**RELATED PARTY TRANSACTIONS**

The Audit Committee provides omnibus approval on an annual basis for all related party transactions and the said transactions are also placed on a quarterly basis before the Audit Committee and the Board, during which all interested directors abstain from participation in such discussions. All related party transactions entered into during the year under review were in the ordinary course of business, on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the related party transactions entered into during the year are given in the financial statements of the Company and in Form AOC 2 in Annexure III, which forms part of this Report.

**AUDITORS****Statutory Auditor**

In accordance with the provisions of the Companies Act 2013 and the rules framed there under, M/s.B.Purushottam & Co., Chartered Accountants, Chennai having Registration No.002828S were appointed as Statutory Auditor of the Company, at the AGM held on 27.09.2019 for a term of five consecutive years till the conclusion of the 42<sup>nd</sup> AGM.

**Internal Auditor**

The Board has approved the appointment of M/s.DPV Associates, Chartered Accountants, Chennai, as the Internal Auditor of the Company to conduct the internal audit during the year under review. The areas of audit are being taken up in consultation with the Internal Auditor and as per the recommendations of the Audit Committee. The Internal Audit observations are discussed with senior officials and are placed before the Audit Committee and suitable actions are taken as directed by the said Committee.

**Secretarial Auditor**

The Board has appointed Mrs. Sindhuja, Practising Company Secretary as the Secretarial Auditor to conduct the Secretarial Audit of the Company during the year under review. The Secretarial Audit Report forms part of this report and is found elsewhere in the Annual Report.



## **MATERIAL CHANGES**

There were no material changes and commitments affecting the financial position of the Company that occurred between the end of the Financial Year of the Company i.e. 31<sup>st</sup> March, 2021 Further, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## **LISTING**

As on the date of this report, the Company is listed with the Bombay Stock Exchange. However, trading of the shares is suspended and the Company's shares remain in "Suspended Mode" vide Notice of BSE -20200205-11 dated 05<sup>th</sup> February 2020 and the company is in process to bring the company back to trading platform.

## **CORPORATE GOVERNANCE**

The Company has been adhering to the principles of Corporate Governance as laid down in the Companies Act 2013 and also the SEBI (LODR) Regulations 2015. A separate section on Corporate Governance is given elsewhere in this Report.

## **EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return of the Company is placed on the Website of the Company and link to the same is [http://www.hemadricements.com/annual\\_reports.php](http://www.hemadricements.com/annual_reports.php) and also attached to this Report as Annexure- II.

## **CONSERVATION OF ENERGY**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided in Annexure I to this Report forming an integral part of this report.

## **COMPLIANCE WITH OTHER APPLICABLE LAWS**

The Compliance Report of the Secretarial Auditor provides that the Company is compliant with all the relevant and necessary applicable laws. In specific the Company has not received any complaints or no cases have been filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the directors to the best of their knowledge and ability confirm that-

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) the directors have laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **CAUTIONARY STATEMENT**

Statements in the Director's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, raw material availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

## ACKNOWLEDGMENTS

The Directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from various departments of the State and Central Governments, from its customers, shareholders, suppliers and Bankers. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success.

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

sd/-

**Place: Chennai**  
**Date: 14.08.2021**

**P.Ravi**  
**Chairman**  
**DIN: 00675665**

## **Management Discussion & Analysis Report**

### **Indian economic scenario**

Due to the Global Pandemic of Covid-19, all world economies shrank and Indian economy was no exception. Although, the RBI had predicted a contraction due to pandemic; however, there was an uptick in the 4<sup>th</sup> quarter of FY 2020-21, driven mainly by the manufacturing sector which achieved a growth of 1.6% in the 4<sup>th</sup> quarter itself.

### **Cement Industry – outlook and opportunities**

The Cement industry during the year 2020-21 witnessed major expansions and consolidations by major players in the industry. The Government of India had extended number of schemes like urban rejuvenation plan, smart city mission, swachh bharat mission and Pradhan Mantri awas yojana, till 31<sup>st</sup> March 2021. The Union Budget had also approved a significant amount for Infrastructure Development specially Roads & Highways, to boost the demand in national infrastructure especially in rural areas.

Aided by suitable government current policies, several players have invested in the Country. Cement production reached 329 million tonnes in FY 2020-21 and expected to reach 381 million tonnes in FY 2021-22. However, the general slowdown in the industrial growth had an impact on infrastructure growth and development, which had inturn brought down the demand for cement.

The Indian Brand Equity Foundation (IBEF) foresees demand for cement in the eastern regions with newer projects being undertaken. Also the focus would be on exporting to countries like Middle East and Africa, with more focus on cement plants near ports like Visakhapatnam and Eastern India. It has also been indicated that several foreign players also may enter the foray due to better demand and improved margins in the days to come.

### **Company perspective**

The Company was driven by change in cost optimization methodologies and adoption of new marketing strategies. On the marketing front, the Company has provided more impetus to developing the market centres like Visakhapatnam and increased the volume of PPC in Telangana Markets specially Hyderabad, which would be focussed in the years to come.

The lockdown due to Covid-19 pandemic had impacted the operations and revenues of the Company. The Company's focus has been on adherence to all statutory norms and in ensuring the occupational health & safety of all its employees. Despite the slowdown of economy, we are confident that your Company will come out of the challenging situation by good industrial practices like cash conservation, conservative spending and cost optimization initiatives.

The Company is planning for technical assessment study for its plant capacity expansion. The other improvements like production cost optimisation and improving the bottom line of the Company, remain the focus point. It is the continuous endeavour of the management of the Company, to focus on capacity expansion and establish foot print in newer market.

**ANNEXURE I TO DIRECTORS' REPORT  
FORM A  
CONSERVATION OF ENERGY**

A.	<b>POWER AND FUEL CONSUMPTION</b>		<b>2020-21</b>	<b>2019-20</b>
	<b>ELECTRICITY</b>			
a.	Purchased Units		2,32,55,300	1,92,33,900
	Total Amount (in INR)		15,47,17,500	12,89,40,913
	Average Rate/Unit Rs.		6.65	6.7
b.	Own Generation			
	Through Diesel Generation Unit		-	-
	Units Per Ltr. of Diesel Generation		-	-
	Cost / Unit Rs.		-	-
	<b>COAL</b>			
	Quantity (Tons)		43,199	34,518
	Total Cost Rs.		25,93,84,683	19,82,58,881
	Average Rate (Rs) per ton		6004	5744
	<b>FURNACE OIL:</b>			
	Quantity (Tons)		-	-
	Total Cost Rs.		-	-
	Average Rate (Rs)		-	-
B.	<b>CONSUMPTION PER UNIT PRODUCTION:</b>			
		Standards		
	Electrical Consumption per ton of cement	140 units	98.92 Units	98.68 Units
	Coal Consumption - per ton of Cement	0.25MT	0.18 MT	0.18MT

**TECHNOLOGY ABSORPTION FROM FOREIGN COUNTRIES:**

Details of imported machinery

Nil

**FOREIGN EXCHANGE EARNINGS AND OUT GO:**

During the year, the Company had no foreign exchange earnings and out go.

**FORM- B****A. RESEARCH AND DEVELOPMENT (R & D):**      **2020-21**      **2019-20**

1. Specific areas in which R & D carried out by the Company	NIL	NIL
2. Benefits derived as a result of the above R & D	NIL	NIL
3. Future plan of Action		
4. Expenditure on R & D	NIL	NIL
a) Capital		
b) Recurring		
c) Total		
d) Total R & D expenditures as a percentage of total turnover	NIL	NIL

**B. TECHNOLOGY ABSORPTION, ADOPTION INNOVATION:**

1. Efforts, in brief, made towards Technology absorption, adoption and innovation	The Company had installed equipment in compliance with Pollution control Board Norms Adherence to statutory norms	NIL
2. Benefits derived as a result of the above efforts eg., product Improvement, cost reduction, Products development, import substitution etc.		NIL
3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year). Following information may be furnished	NIL	NIL
a) Technology imported:		
b) Year of import:		
c) Has technology been fully absorbed:		
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:		

**For and on behalf of the Board of Hemadri Cements Limited**

sd/-

**Place: Chennai**  
**Date: 14.08.2021**

**P.RAVI**  
**CHAIRMAN**  
**DIN: 00675665**

**ANNEXURE - II TO DIRECTOR'S REPORT****FORM NO. MGT- 9****EXTRACT OF ANNUAL RETURN**

(As on financial year ended 31st March 2021)

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the company Management & Administration) Rules, 2014

<b>I. REGISTRATION AND OTHER DETAILS</b>		
i	CIN	L26942AP1981PLC002995
ii	Registration Date	20.04.1981
iii	Name of the Company	HEMADRI CEMENTS LIMITED
iv	Category/Sub-Category of the Company	Public Company / Limited by Shares
v	Address of the Registered Office	Vedadri Village, Jagayyapet Mandal, Krishna District, A.P.State. Phone:(08676)284538; Email:cs@hemadricements.com
vi	Whether Listed Company	Yes
vii	Name, Address & Contact Details of the Registrar & Share Transfer Agent, if any	XL SOFTECH SYSTEMS LIMITED No. 3, Sagar Society Road, No.2, Banjara Hills,Hyderabad-500034. Phone: 23545913/14/15, Fax- 040-23553214. Email:xlfield@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 percent or more of the total turnover of the company shall be stated

<b>Sl. No</b>	<b>Name and Description of the main products/services</b>	<b>NIC Code of the Product /Service</b>	<b>% to total turnover of the Company</b>
1	Cement manufacturing and Sales of Cement	Clinker 25291000, Intermediate product Cements 25232910	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company neither had any subsidiary nor holding company during the FY 2020-21.



#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE TO TOTAL EQUITY) as at 31<sup>st</sup> March 2021

##### (i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	201151	201151	3.02	0	201151	201151	3.02	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	319800	3898159	4217959	63.24	319800	3898159	4217959	63.24	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB-TOTAL (A)(1)</b>	<b>319800</b>	<b>4099310</b>	<b>4419110</b>	<b>66.25</b>	<b>319800</b>	<b>4099310</b>	<b>4419110</b>	<b>66.25</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Relative NRI	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB-TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>319800</b>	<b>4099310</b>	<b>4419110</b>	<b>66.25</b>	<b>319800</b>	<b>4099310</b>	<b>4419110</b>	<b>66.25</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	1000	1000	0.01	0	1000	1000	0.01	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
h) Foreign Venture	0	0	0	0	0	0	0	0	0
Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1)</b>	<b>0</b>	<b>1000</b>	<b>1000</b>	<b>0.01</b>	<b>0</b>	<b>1000</b>	<b>1000</b>	<b>0.01</b>	<b>0</b>
<b>(2) Non Insitutions</b>									
a) Bodies corporates	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	10621	91717	102338	1.53	10621	91717	102338	1.53	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
(i) holding nominal share capital upto Rs. 2 Lakh	250949	1233447	1484396	22.25	244824	1227047	1471871	22.07	(0.18)
ii) holding nominal share capital in excess of Rs.2 lakhs	197465	457422	654887	9.82	197465	457422	654887	9.82	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
i) Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
ii) Directors & their Relatives	0	0	0	0.00	0	0	0	0.00	0.00
iii) Hindu Undivided Families	0	0	0	0.00	6525	6000	12525	0.19	0.19
iv) Non-Resident Indian	0	8269	8269	0.12	0	8269	8269	0.12	0.00
v) Others Non-Resident Indians – Repatriable	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2)</b>	<b>459035</b>	<b>1790855</b>	<b>2249890</b>	<b>33.72</b>	<b>459435</b>	<b>1790455</b>	<b>2249890</b>	<b>33.73</b>	<b>0.01</b>
<b>Total Public Shareholding</b>									
<b>(B) = (B)(1) + (B)(2)</b>	<b>459035</b>	<b>1791855</b>	<b>2250890</b>	<b>33.75</b>	<b>459435</b>	<b>1791455</b>	<b>2250890</b>	<b>33.75</b>	<b>0.00</b>
C. Shares held by Custodian	0	0	0	0	0	0	0	0.00	0
for GDRs & ADRs	0	0	0	0	0	0	0	0.00	0
<b>Grand Total (A+B+C)</b>	<b>778835</b>	<b>5891165</b>	<b>6670000</b>	<b>100</b>	<b>779235</b>	<b>5890765</b>	<b>6670000</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters:

S. No.	Shareholders Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No.of Shares	% of total shares	% of shares pledged/ encumbered to total shares	No: of Shares	% of total shares	% of shares pledged/ encumbered to total shares	
1	SRM TRP PROPERTIES & INVESTMENT	1496899	22.44	0	1496899	22.44	0	0
2	KILARUARUNA	130000	1.949	0	130000	1.949	0	0
3	KILARUPADMAJA	28251	0.424	0	28251	0.424	0	0
4	SRIMANNARAYANA KILARU	20000	0.30	0	20000	0.30	0	0
5	KILARU VIDYA SAGAR VARMA	10000	0.15	0	10000	0.15	0	0
6	KOTHAPRASUNAMBA	7500	0.11	0	7500	0.11	0	0
7	KOTHA MADHU MURTHY	2250	0.03	0	2250	0.03	0	0
8	GVENKATESWARA RAO	1594	0.02	0	1594	0.02	0	0
9	KOTESWARA RAO KOTHA	1500	0.02	0	1500	0.02	0	0
10	ASUSEELA	56	0.00	0	56	0.00	0	0
11	SRM CIVIL WORKS PVT LTD	2721060	40.80	0	2721060	40.80	0	0
	<b>TOTAL</b>	<b>4419110</b>	<b>66.25</b>	<b>0</b>	<b>4419110</b>	<b>66.25</b>	<b>0</b>	<b>0</b>

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment - NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. Remuneration to Managing Director(s), Whole Time Director and/or Manager:

(Rs.in Lakhs)

S.No	Particulars of Remuneration	Mr. P. Ravi (Chairman)
1.	Gross Salary	30.00
	a.Salary as per the provisions contained in Section17(1) of the Income Tax Act 1961	-
	(b)Value of perquisite sunder Section 17(2) of the Income Tax Act 1961	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act 1961	-
2.	Stock option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others (specify)	-
5.	Others - Productivity Incentive	-
	<b>Total (A)</b>	<b>30.00</b>

(Rs.in lakhs)

## B. Remuneration to other Directors:

S.No	Particulars	Name of Directors				Total
		Shri G.Rajan	Shri D.B.N.Rao	Dr (Ms). Ananda Priya		
1	<b>Independent Directors</b>					
	(a) Fee for Board/ Committee Meetings	0.20	0.40	0.40		1.00
	(b) Commission	Nil	Nil	Nil		Nil
	(c) Others, please specify	Nil	Nil	Nil		Nil
	<b>TOTAL (1)</b>	0.20	0.40	0.40		1.00
2	<b>Other Non Executive Directors</b>					
	(a) Fee for Board/ Committee Meetings	Nil	Nil	Nil		Nil
	(b) Commission	Nil	Nil	Nil		Nil
	(c) Others, please specify	Nil	Nil	Nil		Nil
	<b>TOTAL (2)</b>					Nil
	<b>(B) = (1+2)</b>					1.00
	<b>Total Managerial Remuneration(A+B)</b>					31.00

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs.in Lakhs)

S.No	Particulars of Remuneration	Key Managerial Personnel			Total
		Director/ CEO	Company Secretary	CFO	
		<b>S. Vivekanandan Murugan ( Upto 27/02/2021)</b>	<b>Hemanagarajan ( Upto 27/02/2021)</b>	<b>C. Mohanakrishna</b>	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	72,00,000	13,66,000	20,15,749	1,05,97,749
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	16,000	Nil	Nil	Nil
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act 1961	Nil			
	Stock Option				
2	Sweat Equity	-	-	-	-
3	Commission	-	-	-	-
4	- as % of profit	-	-	-	-
	- Others, specify	-	-	-	-
	Others, please specify				
5	<b>TOTAL</b>	<b>72,16,000</b>	<b>13,66,000</b>	<b>20,15,749</b>	<b>1,05,97,749</b>

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties or punishments levied on the company, its Directors or Officers in Default during the year. Also, there was no necessity for the Company, its Directors or Officers in Default to compound any offence.

**For and on behalf of the Board of Hemadri Cements Limited**

sd/-

**Place: Chennai**  
**Date: 14.08.2021**

**P.RAVI**  
**CHAIRMAN**  
**DIN: 00675665**

## ANNEXURE III TO DIRECTORS' REPORT

## 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 arms length transaction under third proviso thereto.

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

Name(s) of the Related Party and nature of relationship	SRM Civil Works Private Limited Company in which a Director is interested	SRM Global Cements Corporation Ltd Company in which a Director is interested
Nature of the Contract/ arrangements	Sale of Cement	Sale of Cement
Duration of Contract/ Arrangement/ transactions	Continuing contract – based in invoices raised	Continuing contract – based in invoices raised
Salient Terms of the contracts or arrangements or transactions including value if any	As per invoice terms and conditions	As per invoice terms and conditions
Date of approval of the Board if any	BM held on 22.06.2020	BM held on 29.06.2020
Amount paid as advance if any	Nil	Nil

For and on behalf of the Board of Hemadri Cements Limited

sd/-

Place: Chennai  
Date: 14.08.2021

P.RAVI  
CHAIRMAN  
DIN: 00675665

## ANNEXURE - IV TO DIRECTORS' REPORT

(Rs. In Lakhs)

DETAILS OF LOANS AND GUARANTEES UNDER SECTION 186 OF THE ACT 2013 FOR THE FINANCIAL YEAR 2020-21							
S. No	Name of the body corporate	Nature of Relationship	Purpose of loan / acquisition / guarantee / security	Rate of interest	Amount of loan / security / guarantee (Rs.in lakhs)	% to free Reserves*	Purpose for which the loan / guarantee utilized by the recipient
1	HCL Agro Power Ltd	Company in which a Director is interested	Inter Corporate Loan	Nil	3.07	0.07	For business purpose
	<b>TOTAL</b>				<b>3.07</b>	<b>0.07</b>	

\*(total reserves – equity-revaluation reserve and capital reserve)



## ANNEXURE V TO DIRECTORS' REPORT

### CSR ACTIVITIES OF THE COMPANY

1. The Company's objective is to manage the business processes at profit and to produce an overall positive impact on the society and create wellness. Taking corporate social responsibility ('CSR') as a strategic social investment, the company aims to develop the society needs around the factory Village and other places for better future. The Company initiatives in the area of (a) social and economic welfare (b) education and skill development, (c) environmental sustainability, (d) Health improvements as CSR Activities as decided by the CSR committee. For achieving the company's CSR objective, the CSR activities are being undertaken by the company independently. The activities are centred on mainly social and economic welfare and health improvements around factory located villages.
  
2. As on 31/03/2021, the composition of the CSR committee :  
The Committee comprises of the following directors to look into the CSR activities of the company.
  - a) Shri P.Ravi - Chairman
  - b) Dr. Sivasamy Raju - Member
  - c) Shri D.B.N.Rao - Member
  
3. Details of CSR spent during the financial year:  
  
The Company's net profits for the immediate preceding financial year (2019-20) did not exceed Rs.5 crores as stipulated under Section 135 of the Companies Act 2013. The Company has therefore not made any fresh contribution, except sustaining the facilities granted through its CSR activities in the preceding years.
  
4. We hereby declare that implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policy of the company.

**For and on behalf of the Board of Hemadri Cements Limited**

sd/-

**Place: Chennai**  
**Date: 14.08.2021**

**P.RAVI**  
**CHAIRMAN**  
**DIN: 00675665**

## REPORT ON CORPORATE GOVERNANCE

The Company believes in enhancing the value to stakeholders through good corporate governance practices. The Company's Corporate Governance practices, complies with the principles laid down under Companies Act 2013 and SEBI (LODR) Regulations 2015.

### Company's Philosophy on Corporate Governance:

The Board of Directors of the Company, view their role as trustees for the stakeholders and the society at large and it is their endeavour to observe and practice the best corporate governance principles, which inter alia, include transparency, regulatory compliance, accountability and fairness in its dealings and pursuing a policy of corporate disclosures and communication in the functioning of the Company.

The compliance in terms of the SEBI (LODR) Regulations 2015 for the FY 2020-21 is as under:

### Board of Directors

The Board comprises of 4 independent directors viz., Mr.D.B.N.Rao, Mr.G.Rajan, Dr.(Mr.)Sivasamy Raju and Dr. (Ms).Ananda Priya, and 1 Executive Director, Mr.P.Ravi, Chairman. More than half of the Board comprises of Independent Directors.

The composition of the Board as on 31<sup>st</sup> March 2021 is as under:

Category	No of Directors	Percentage to total number of Directors
Non-executive Independent Directors	4	80
Executive Directors	1	20
Total	5	100

### Information flow to the Board

Information is provided to the Board for their review during Board Meetings, where the agenda for the meetings are circulated per statutory requirements. The financial statements are first presented to the Audit Committee and subsequently to the Board for their approval. Circular resolutions are also passed, whenever needed, depending on the urgency of the matter in question and the same are also tabled at the next Board Meeting.

### Board Meetings and attendance

During the Financial Year ended 31<sup>st</sup> March 2021, four meetings of the Board of Directors were held as follows:

S.No.	Date	Board Strength	No of Directors present
1.	29.06.2020	5	4
2.	27.08.2020	5	4
3.	05.11.2020	5	5
4.	11.02.2021	5	5

**The Committees were reconstituted on 31.03.2021 as given below**

Name of the Committee	Members
Audit Committee (AC)	1. Mr.D.B.N.Rao (Independent Director) (Chairman) 2. Mr.G.Rajan (Independent Director) 3. Dr. (Ms).R.Anandapriya (Independent Director)
Nomination & Remuneration Committee (NRC)	1. Mr.G.Rajan (Independent Director) (Chairman) 2. Mr.D.B.N.Rao (Independent Director) 3. Dr. (Ms).R.Anandapriya(Independent Director)
Stakeholders' Relationship Committee (SRC)	1. Mr.D.B.N.Rao (Independent Director) (Chairman) 2. Mr.P.Ravi (Executive Director) 3.Mr.G.Rajan(Independent Director)
CSR Committee (CSR)	1. Mr.P.Ravi (Executive Director) (Chairman) 2. Dr (Mr). Sivasamy Raju(Independent Director) 3. Mr.D.B.N.Rao(Independent Director)

**Particulars of Attendance of the Directors at the Board & Committee meetings during the financial year and at the last Annual General Meeting are as given below.**

Name of the Director	DIN No.	Category	Board Meeting	AC	SRC	NRC	CSR	Whether attended the AGM held on 30.09.2020
Shri.P.Ravi	00675665	WTD	4	NA	4	NA	1	Yes
Shri.D.B.N.Rao	01180539	ID	4	4	4	1	1	Yes
Ms. R. Ananda Priya	01768355	ID	4	4	NA	1	NA	Yes
Shri.G.Rajan	02348441	ID	2	2	1	1	NA	Yes
Shri.S.Vivekanand Murugan*	05223790	Executive	4	NA	NA	NA	1	Yes
Dr. Sivasamy Raju	06961330	ID	NA	NA	NA	NA	NA	No

WTD-Whole Time Director

ID-Independent Director

\*Shri SivramanVivekanand Murugan\*ceased to be director and CEO with effect from 27<sup>th</sup> February 2021

**NA - Not Applicable**

Except Shri D.B.N.Rao, who is an Independent Director in Sanghi Industries Limited, none of other director holds directorship in any other listed company.

Mrs.HemaNagarajan, ceased to be Company Secretary and Compliance officer of the company with effect from 27<sup>th</sup> February 2021.

## Functions of the Committees

### A. Audit Committee:

The function of the Audit committee is to review the accounting policies and to oversee the process of Financial Reporting by the Company so as to ensure that the financial statements are correct and credible. The Audit Committee also functions as the Risk Management of the Committee and has formulated the Risk Management Policy and categorizes and reviews the business and overall risks that the Company might be subjected to.

The responsibility of the Audit committee, inter alia, is as follows:

- 1 Reviewing with the management-
  - i. The Annual financial statements before submission to the Board for approval with particular reference to:
    - « Matters required to be included in the Directors' Responsibility Statement
    - « Changes, if any, in the accounting policies and practices and reason for the same
    - « Major accounting entries involving estimates based on judgment by the management
    - « Significant adjustments made in the financial statements arising out of audit findings.
    - « Compliance with listing and other legal requirements relating to financial statements
    - « Disclosure of any related party transactions and
    - « Qualifications in the draft audit report, if any
    - « Risk assessment and evaluation
  - ii. The quarterly financial statements before submission to the Board for approval
  - iii. The statement of uses and application of funds
  - iv. Performance of statutory and internal auditors and adequacy of the internal control systems.
- 2 Discussion with
  - « Internal Auditors on any significant findings and follow up thereon
  - « 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.

**Meetings of the Audit Committee and Attendance**

S.No.	Date	Committee Strength	Present
1.	29.06.2020	3	2
2.	27.08.2020	3	2
3.	05.11.2020	3	3
4.	11.02.2021	3	3

**B. Share Transfer & Stakeholders' Relationship Committee**

This Committee oversees redressal of shareholder and investor grievances and inter alia, approves the share transfers/ transmission/ issue of duplicate share certificates etc.

**Meetings of the Stakeholders' Relationship Committee and attendance**

S.No.	Date	Committee Strength	Present
1.	29.06.2020	3	2
2.	27.08.2020	3	2
3.	05.11.2020	3	2
4.	11.02.2021	3	3

**C. Nomination & Remuneration Committee**

This Committee acts on behalf of the Board on matters pertaining to fixation of nomination and remuneration and on policies of the Board.

Meetings of the Nomination & Remuneration Committee and its attendance

S.No.	Date	Committee Strength	Present
1.	11.02.2021	3	3

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an Annual Performance Evaluation of its own performance and the Directors individually as well as the evaluation of the working of its Board Governance, Nomination and Remuneration Committee and other committees.

**DIRECTORS' ANNUAL REMUNERATION (as on 31<sup>st</sup> March 2021)**

Name of the Directors	Designation	Remuneration	Total
Shri.P. Ravi	Chairman	Rs.30,00,000	Rs.30,00,000
Shri.S.Vivekanandan Murugan	Director & CEO	Rs.66,00,000	Rs.66,00,000

The Company pays sitting fee of Rs.10,000/-for the Board meeting and Rs.2,500 for all the Committee meetings. However the Executive Directors are not paid any sitting fees for the meetings.

**D. Corporate Social Responsibility (CSR) Committee**

The provisions of Section 135 of the Companies Act 2013, pertaining to CSR is not applicable to the Company for the FY 2020-21.

**Other Shareholder information****PARTICULARS OF DIRECTOR SEEKING RE-APPOINTMENT:**

Shri P.Ravi is the Promoter Director of the Company. He holds Master's degree in Business Administration with 30 years of varied experience in the fields of Education, Construction, Hospitality, Health and manufacturing. He is the Chairman of the SRM Group and has been instrumental in acquiring the Company from BIFR and reviving the same. He has been very active in establishing several educational institutions, hospitals and has a niche for hospitality industry too.

**DETAILS OF OTHER DIRECTORSHIPS OF INDEPENDENT DIRECTORS**

<b>Shri G.Rajan</b>	<b>Shri D.B.N.Rao</b>	<b>Smt.R.AnandaPriya</b>	<b>Shri.Sivasamy Raju</b>
M/s. HCL Agro Power Limited (unlisted)	1. M/s. Sanghi Industries Limited (Listed) 2. M/s. Sanghi Cements Limited (unlisted) 3.M/s. Seetharam Cements Limited(unlisted) 4.M/s. Sai HemajaAerobricks Private Limited(unlisted)	M/s. NilaInnovatives Private Limited(unlisted)	1.M/s. Trac Media Private Limited(unlisted) 2.M/s. SRM Hotels Private Limited(unlisted)

**GENERAL BODY MEETINGS**

Particulars of the General Body Meetings held for the last 3 years are given below:

<b>S.No.</b>	<b>Date of the AGM</b>	<b>Venue</b>
1.	25.09.2018	Vedadri Village, Jaggaiahpet Mandal Krishna District, Andhra Pradesh
2.	27.09.2019	Vedadri Village, Jaggaiahpet Mandal Krishna District, Andhra Pradesh
3.	30.09.2020	Through Video Conference (VC) and Other Audio Visual Means(OAVM)

### **Financial Calendar**

Financial Year of the Company : April-March  
Quarterly Results : 1st Quarter – on/before 14th August  
2nd Quarter- on/before 15th October  
3rd Quarter – on /before 14th February  
4th Quarter – on /before 15th May  
AGM : on/before 30th September

### **Hemadri Cement Limited’s Code of Conduct**

The HCL Code of Conduct, as adopted by the Board of Directors and found in the Company’s website [www.hemadricements.com](http://www.hemadricements.com) under Investors – Policies, is applicable to all the Directors and senior management personnel of the Company. The code is based on five basic principles of governance viz., to act diligently, respect confidentiality, no conflict of interest, abiding to applicable laws, follow the principles of justice, equity and good conscience and is a commitment by the Company to its stakeholders on good corporate governance.

### **Dematerialization of shares**

Your Company has been admitted with both Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) with ISIN INE07BK01011 for Dematerialisation. Transferability of shares is permitted only in dematerialized form. As on 31<sup>st</sup> March 2021 approximately 7,79,235 number of shares has been dematerialized.

### **Registrar & Share Transfer Agents**

M/s.XL Softech Services Limited, Hyderabad, is the Registrar and Share Transfer Agent of the Company for carrying out share registration and other related activities

#### Address for correspondence

No.3, Sagar Society, Banjara Hills, Road No.2, Hyderabad 500034

Contact person: Mr.R.Ram Prasad, Manager

Email id: [xlfield@gmail.com](mailto:xlfield@gmail.com); [ramprasadr@xlsoftech.com](mailto:ramprasadr@xlsoftech.com)

### **Compliance Officer**

As on 31<sup>st</sup> March 2021, Mr. Pachamuthu Ravi, is the Compliance Officer under Regulation 6(1) of the SEBI (LODR) Regulations 2015.

#### Address for correspondence:

Vedadri Village 521457, Jaggayapet Mandal, Krishna District, Andhra Pradesh

Email id: [cs@hemadricements.com](mailto:cs@hemadricements.com)

**Distribution of Shareholding as on 31<sup>st</sup> March 2021**

Shareholdings of Nominal value of (Rs.)	Shareholders		Share Amount	
	Nos	%	(Rs.)	%
Upto 5,000	3001	83.87	5240780	7.86
5,001 - 10,000	348	9.73	2779630	4.17
10,001 - 20,000	111	3.10	1713700	2.57
20,001 - 30,000	37	1.03	947680	1.42
30,001 - 40,000	11	0.31	406750	0.61
40,001 - 50,000	13	0.36	616460	0.92
50,001 - 1,00,000	18	0.50	1409520	2.11
1,00,001 & above	39	1.09	53585480	80.34
<b>Total</b>	<b>3578</b>	<b>100.00</b>	<b>66700000</b>	<b>100.00</b>

**COMPLIANCE CERTIFICATE**

To

**THE MEMBERS OF HEMADRI CEMENTS LIMITED,**

We have examined the compliance of conditions of Corporate Governance by **HEMADRI CEMENTS LIMITED, (the company)** for the year ended 31<sup>st</sup> March, 2021 as per regulations 17-27 and regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations 2015 (Listing regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the 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 the opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for special purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of Code of Ethics issued by Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) – 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, during the aforesaid year, 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.

Restrictions on use:

This certificate is issued solely for the purpose of Complying with the aforesaid Regulations and may not be suitable for any other purposes.

**B. PURUSHOTTAM & CO.**  
Chartered Accountants  
Firm Reg. No. 002808S

**B.S.Purushottam**  
PARTNER  
M.No. 026785

Place : Chennai  
Date :29.06.2021



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

FOR THE FINANCIAL YEAR ENDED 31/03/2021

[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]

The Members,  
M/S. HEMADRI CEMENTS LTD  
CIN: L26942AP1981PLC002995

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. HEMADRI CEMENTS LTD (hereinafter called the “company”) (CIN: L26942AP1981PLC002995) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. HEMADRI CEMENTS LTD books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31/03/2021 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: subject to the observation as given below :

***The status of the company’s share remains in “Suspended Mode” vide Notice of BSE -20200205-11 dated 05<sup>th</sup> February 2020.***

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. HEMADRI CEMENTS LIMITED for the financial year ended on 31/03/2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- vi. The Management has identified and confirmed the following Laws as specifically applicable to the Company :
  1. Factories Act, 1948
  2. Industrial dispute Act, 1947
  3. Income Tax Act,1961
  4. Goods and Service Act,2017
  5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  6. Employees' State Insurance Act, 1948
  7. The Payment of Gratuity Act, 1972
  8. Competition Act 2002
  9. Limestone & Dolomite Mines Labour Welfare Fund Act, 1972
  10. Mineral Conservation & Development Rules 2017
  11. Mines Act 1952 & Metalliferous Mines Regulations 1961
  12. Explosives Act and Rules
  13. The Andhra Pradesh Factories And Establishments (National, Festival and Other Holidays) Act,1974.
  14. Water (Prevention & Control of Pollution) Act 1974
  15. Air (Prevention and Control of Pollution) Act 1981
  16. Environment Protection Act, along with the Rules and notifications
  - 17.Hazardous Waste (Management Handling & Trans-boundary Movement), Rules 2016 (under the Environment Protection Act 1986)
  18. Code on wages 2019.

19. Mines and Minerals (Development and Regulation) Act, 1957.
20. Hazardous Wastes (Management & Handling) Rules, 1989.
21. Plastic Waste (Management & Handling) Rules, 2011.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Uniform Listing Agreement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with, Stock Exchange(s).

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

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

Majority decision is carried through while the dissenting member's views, if any are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period there were no specific events/ actions in pursuance of the above referred laws, rules, regulation, guidelines, etc, having a major bearing on the companies affairs.

**Place: Chennai**  
**Date : 14.08.2021**  
**UDIN: A044831C000786209**

**sd/-**  
**Sindhuja Porselvam**  
**Company Secretary in Practice**  
**C.P.NO. 23622**

**ANNEXURE TO SECRETARIAL AUDIT REPORT**

The Members,  
M/S. HEMADRI CEMENTS LTD  
CIN: L26942AP1981PLC002995

Our report of even date, for the financial year 2020-21 is to be read along with this letter.

1. Maintenance of secretarial record 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.

sd/-

**Place : Chennai**

**Date : 14.08.2021**

**UDIN : A044831C000786209**

**SINDHUJA PORSELVAM**

**Company Secretary in Practice**

**C.P.NO. 23622**

## INDEPENDENT AUDITOR'S REPORT

To the members of HEMADRI CEMENTS LIMITED.

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

#### Opinion

We have audited the standalone financial statements of **HEMADRI CEMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133of 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, 2021, its Profit (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 skepticism throughout the audit. We also:

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.



(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

(e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have of pending litigations which would impact on its financial position in its financial statements.
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For. B. PURUSHOTTAM & CO**  
Chartered Accountants  
(Firm Regn. No. 002808S)

**B.S. PURUSHOTHAM**  
Partner  
M.No. 26785

**Place: Chennai**  
**Date : 29-06-2021.**

**UDIN: 21026785AAAAEU7465**

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **HEMADRI CEMENTS LIMITED** of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets,
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Management has conducted physical verification of Inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the company has not granted any loans, Secured or unsecured to the Companies, Firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence clause iii(a),iii(b) and iii (c) of the order are not applicable to the company for the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted deposits and hence the provisions of clause 3(v) of the Order is not applicable to the Company

(vi) In our opinion, the prescribed accounts and records have been made and maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148(1) of the Companies Act, 2013.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax and duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.

b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, sales tax, value added tax, goods and service tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at the yearend for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us and the records of the Company examined by us, there are no material dues of Income tax, sales tax, goods and service tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For. B. PURUSHOTTAM &CO**  
Chartered Accountants  
(Firm Regn. No. 002808S)

**B.S. PURUSHOTHAM**  
Partner  
M.No. 26785

**Place: Chennai**  
**Date : 29-06-2021.**

**UDIN: 21026785AAAAEU7465**

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **HEMADRI CEMENTS LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial. controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

## Opinion

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

**For. B. PURUSHOTTAM & CO**  
Chartered Accountants  
(Firm Regn. No. 002808S)

**B.S. PURUSHOTHAM**  
Partner  
M.No. 26785

**Place: Chennai**  
**Date : 29-06-2021.**

**UDIN: 21026785AAAAEU7465**

**HEMADRI CEMENTS LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2021**

CIN : L26942AP1981PLC002995

Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
		Rs.	Rs.
<b>ASSETS</b>			
<b>Non - current assets</b>			
(a) Property, plant and equipment	3	166,657,816	184,976,993
(b) Capital work in progress	4		
(c) Financial Assets			
(i) Investment	5	6,000,000	6,000,000
(iii) Other financial assets	6	28,959,154	28,761,034
(d) Deferred tax assets (net)		-	-
(e) Other non-current assets	7	124,348,301	177,040,764
<b>Total Non-Current Assets</b>		<b>325,965,271</b>	<b>396,778,791</b>
<b>Current Assets</b>			
(a) Inventories	8	90,516,141	74,560,211
(b) Financial Assets			
(i) Trade receivables	9	91,684,113	122,600,231
(ii) Cash and cash equivalents	10	71,696,326	7,731,884
(iii) Bank Balance other than (ii)	11	55,737,334	9,919,737
(iv) Other Financial Assets	12	1,715,512	3,041,892
(c) Other current assets	13	43,527,044	28,936,976
<b>Total Current Assets</b>		<b>354,876,470</b>	<b>246,790,931</b>
<b>TOTAL ASSETS</b>		<b>680,841,741</b>	<b>643,569,722</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	66,700,000	66,700,000
(b) Other equity	15	424,119,159	411,976,105
<b>Total Equity</b>		<b>490,819,159</b>	<b>478,676,105</b>
<b>Non - current liabilities</b>			
(a) Long term provisions	16	138,921	191,888
(b) Deferred tax liabilities (Net)	17	15,620,199	3,354,811
<b>Total Non-Current Liabilities</b>		<b>15,759,120</b>	<b>3,546,699</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	-	59,045,526
(ii) Trade payables			
(a) Total outstanding dues to Micro enterprises and small enterprises	19		
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises		51,945,233	36,624,010
(ii) Other financial Liabilities	20	17,058,110	12,353,670
(b) Other current liabilities	21	79,057,644	39,835,666
(c) Short term provisions	22	11,331,355	12,815,365
(d) Current tax Liability	23	14,871,120	672,681
<b>Total Current Liabilities</b>		<b>174,263,462</b>	<b>161,346,918</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>680,841,741</b>	<b>643,569,722</b>

The significant accounting policies and accompanying notes form an integral part of these financial statements.

As per our report of even date  
For **B. PURUSHOTTAM & CO**  
Chartered Accountants  
(Firm Regn.No.002808S)

**B.S.PURSHOTHAM**  
Partner  
M No: 026785

**P.RAVI**  
Chairman  
DIN: 00675665

For and on behalf of the Board

**R.ANANDAPRIYA**  
Director  
DIN:01768355

Place: Chennai  
Date: 29-06-2021

**C.MOHANA KRISHNA**  
CFO



**HEMADRI CEMENTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2021**

CIN : L26942AP1981PLC002995

Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
		Rs.	Rs.
I Revenue from Operations	24	954,872,181	700,981,904
II Other Income	25	3,811,028	4,262,479
<b>III Total revenue (I + II)</b>		<b>958,683,209</b>	<b>705,244,383</b>
<b>IV Expenses</b>			
Cost of materials consumed	26	212,559,569	138,602,418
Purchases of Stock-in-Trade		-	9,197,206
Changes in inventories of finished goods, work in progress & Stock in trade	27	(24,377,795)	4,788,825
Power & Fuel Charges	28	414,102,183	327,199,798
Employee benefits expense	29	70,622,596	75,408,126
Finance costs	30	803,975	7,957,837
Depreciation and amortization	31	19,411,580	10,582,846
Other expenses	32	226,429,320	127,195,269
<b>Total Expenses (IV)</b>		<b>919,551,428</b>	<b>700,932,325</b>
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		39,131,780	4,312,058
VI Exceptional Items		-	-
VII Profit/(Loss) before tax		<b>39,131,780</b>	<b>4,312,058</b>
VIII Tax expense:			
(1) Current tax		14,871,120	672,681
(2) MAT Credit		-	(672,681)
(3) Deferred tax		12,224,275	3,035,860
(4) Excess Provision reversed		-	(104,244)
IX Profit/(Loss) for the period		<b>12,036,385</b>	<b>1,380,441</b>
<b>X Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit plan actuarial gains/(losses)		147,782	(1,077,666)
Less: Deferred tax expenses on above		41,113	(280,193)
<b>Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)</b>		<b>12,143,055</b>	<b>582,968</b>
XI Earning per equity share:			
XIII (1) Basic	33	1.82	0.09
(2) Diluted		1.82	0.09

The significant accounting policies and accompanying notes form an integral part of these financial statements.

As per our report of even date

For B. PURUSHOTTAM &amp; CO

Chartered Accountants  
(Firm Regn.No.002808S)

For and on behalf of the Board

B.S.PURSHOTHAM

Partner  
M No: 026785

P.RAVI  
Chairman  
DIN: 00675665

R.ANANDAPRIYA  
Director  
DIN:01768355

Place: Chennai  
Date: 29-06-2021

C.MOHANA KRISHNA  
CFO

## HEMADRI CEMENTS LIMITED

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2021

CIN : L26942AP1981PLC002995

Particulars	As at 31-03-2021		As at 31-03-2020	
	Rs.	Rs.	Rs.	Rs.
<b>Cash flows from operating activities</b>				
Total Income for the Period (PBT)		39,131,780		4,312,058
Adjustments for:				
- Other Comprehensive Income	147,782		(1,077,666)	
- Depreciation and amortization expense	19,411,580		10,582,846	
- Interest income	(2,993,228)		(3,658,898)	
- Bank Guarantee commission paid and Interest Exp	803,975		7,957,837	
		17,370,109		13,804,119
		56,501,889		18,116,177
<i>Changes in</i>				
- Decrease/(Increase) In Trade Receivables	30,916,118		(13,492,955)	
- Decrease/(Increase) In Inventory	(15,955,930)		5,857,108	
- Decrease/(Increase) In Other current Financial Asset(s)	(44,491,217)		16,404,097	
- Decrease/(Increase) In Other current Asset(s)	6,054,604		7,567,965	
- Decrease/(Increase) In Other non-current financial assets	(198,120)		(34,900)	
- Decrease/(Increase) In Other non-current asset	52,692,463		(1,005,342)	
(Decrease)/Increase In Long term Provisions	(52,967)		(1,046,870)	
(Decrease)/Increase In Trade Payables current	15,321,223		(7,136,339)	
(Decrease)/Increase In other current liabilities	39,221,978		(1,463,617)	
(Decrease)/Increase In Other financial liabilities current	4,704,440		(3,358,977)	
(Decrease)/Increase In Short Term provisions current	(1,484,010)		(1,475,150)	
<b>Cash generated from operations</b>		86,728,582		815,020
<b>Income taxes paid</b>		(21,317,353)		(2,186,822)
<b>Cash generated from / (used in) operations</b>		121,913,118		16,744,375
<b>Cash flows from investing activities</b>				
Purchase of fixed assets		(1,092,403)		(6,231,335)
Interest received		2,993,228		3,658,898
<b>Net cash generated from/(used in) investing activities [B]</b>		1,900,824		(2,572,437)
<b>Cash flows from financing activities</b>				
Proceeds from / (repayment of) long term and short term borrowings		(59,045,526)		(8,191,178)
Preference dividend paid (including dividend distribution tax)				
Bank Guarantee commission paid and Interest Exp		(803,975)		(7,957,837)
Proceeds from long term loans		-		-
Repayment of long term loans		-		-
<b>Net cash used in financing activities</b>		(59,849,501)		(16,149,015)
<b>Increase /(Decrease) in cash and cash equivalents</b>		63,964,440		(1,977,076)
<b>Cash and cash equivalents at the beginning of the year</b>		7,731,884		9,708,960
<b>Cash and cash equivalents at the end of the year</b>		71,696,326		7,731,884
<b>Cash &amp; Cash equivalents:</b>				
Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash and				
Cash on hand		75,745		161,743
Balances with banks		71,620,581		7,570,141
<b>Total cash and cash equivalents</b>		71,696,326		7,731,884

For B. PURUSHOTTAM &amp; CO

Chartered Accountants  
(Firm Regn.No.002808S)

B.S.PURUSHOTHAM

Partner

M No: 026785

Place: Chennai

Date: 29-06-2021

For and on behalf of the Board

P.RAVI  
Chairman  
DIN: 00675665R.ANANDAPRIYA  
Director  
DIN:01768355C.MOHANA KRISHNA  
CFO

## HEMADRI CEMENTS LIMITED

CIN : L26942AP1981PLC002995

## Statement of Change in Equity

Amount in Rupees

Particulars	Share Capital	Reserves and Surplus				Other Components of Equity	Total
		Capital Reserve	Revaluation Reserve	Other Reserves	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 1, 2019	66,700,000	13,351,587	1,435,690	974,250	396,266,776	-635,168	478,093,136
Profit / (Loss) for the period			-		1,380,441		1,380,441
Other Comprehensive Income for the Year						-797,473	-797,473
Balance as at March 31, 2020	66,700,000	13,351,587	1,435,690	974,250	397,647,217	-1,432,641	478,676,105
Profit / (Loss) for the period					12,036,385		12,036,385
Other Comprehensive Income for the Year						106,669	106,669
Balance as at March 31, 2021	66,700,000	13,351,587	1,435,690	974,250	409,683,602	-1,325,972	490,819,159

As per our report of even date attached

For B.PURUSHOTTAM &amp; CO

Chartered Accountants

FRN: 002808S

B.S.Purshotham

Partner

M No.: 026785

Place: Chennai

Date: 29-06-2021

For and On behalf of the Board of Directors

P.RAVI

Chairman

DIN: 00675665

R.ANANDAPRIYA

Director

DIN:01768355

C.MOHANA KRISHNA

CFO

**HEMADRI CEMENTS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

CIN : L26942AP1981PLC002995

**3. Fixed Assets:**

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK		
	As at 01-04-2020	Additions for the year	Deductions during the year	As at 31-03-2021	As at 01-04-2020	For the year	Deductions during the year	Adjusted to Reserves	As at 31-03-2021	As at 01-04-2020
<b>Tangible Assets</b>										
<b>Own assets</b>										
Land										
- Free Hold	11,164,136	-		11,164,136	-				-	11,164,136
- Land & Site Development	8,491,855			8,491,855	-				-	8,491,855
Buildings	63,992,461	848,400		63,992,461	35,064,501	778,005	-		35,842,506	28,927,960
Plant & Machinery	438,081,608			438,930,008	304,886,303	17,836,565	-		322,722,868	133,195,304
Electrical Insulation	39,843,375	-		39,843,375	38,340,443	235,894			38,576,337	1,502,932
Furniture & Fixtures	1,488,632			1,488,632	1,395,230	14,925			1,410,155	93,402
1. Computers	420,087	68,897		488,984	403,083	16,187			419,270	17,004
2. Furniture & Fixtures	2,692,005	175,107		2,867,112	2,301,077	88,610			2,389,687	190,928
3. Office Equipment	11,641,237			11,641,237	10,253,961	441,395			10,695,356	1,387,276
Vehicles	480,450			480,450	477,802				477,802	2,648
Construction Machinery	389,730			389,730	386,182				386,182	3,548
Work Shop Equipment										
Depreciation for Apr 19										
<b>Assets taken on finance lease</b>										
	578,685,576	1,092,404		579,777,981	393,708,582	19,411,581			413,120,163	184,976,993
<b>Intangible assets</b>										
<b>TOTAL</b>	<b>578,685,576</b>	<b>1,092,404</b>	<b>-</b>	<b>579,777,981</b>	<b>393,708,582</b>	<b>19,411,581</b>	<b>-</b>	<b>-</b>	<b>413,120,163</b>	<b>184,976,993</b>
Previous Year	484,520,086	94,165,490	-	578,685,576	383,125,736	10,582,846	-	-	393,708,582	101,394,348

**4. Capital work in progress:***Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
<b>i) Plant &amp; Machinery</b>		
Opening Balance	-	87,934,156
Add: Addition during the year	848,400	5,674,068
	848,400	93,608,224
Less: Capitalised during the year	848,400	93,608,224
<b>Total</b>	-	-
<b>Less:</b>		
Provision for impairment	-	
	<b>0</b>	<b>0</b>

**5. Non Current Investments**

Particulars	As at 31-03-2021	As at 31-03-2020
Investments in Equity Instruments (Fair valued through OCI)	6,000,000	6,000,000
<b>Total</b>	<b>6,000,000</b>	<b>6,000,000</b>
5.1 Aggregate amount of unquoted investments	6,000,000	6,000,000
(Less): Impairment on above investments	-	-
Net value of unquoted investments	6,000,000	6,000,000

**6. Other Non Current Financial Assets**

Particulars	As at 31-03-2021	As at 31-03-2020
Long Term Security Deposit (Unsecured considered good)	28,959,154	28,761,034
<b>Total</b>	<b>28,959,154</b>	<b>28,761,034</b>

**7. Other Non Current Assets**

Particulars	As at 31-03-2021	As at 31-03-2020
Loans and advances to related parties(Refer Note- 37)	177,348,301	177,040,764
Less:Provision for doubtful	53,000,000	-
<b>Total</b>	<b>124,348,301</b>	<b>177,040,764</b>

**8. Inventories***Amount in Rupees*

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
i) Raw materials	5,758,238	9,890,261
ii) Work in progress	42,743,915	13,575,290
iii) Finished goods	1,710,000	6,500,850
iv) Stores and spares	38,896,489	43,839,914
v) Others- Packing	1,407,499	753,897
<b>Total</b>	<b>90,516,141</b>	<b>74,560,211</b>

**9. Trade Receivables**

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
Secured Considered Good		
Unsecured Considered good	91,684,113	122,600,231
Considered Doubtful		
<b>Total</b>	<b>91,684,113</b>	<b>122,600,231</b>

**10. Cash and cash equivalents**

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
i) Balances with banks:		
-In current accounts	71,620,581	7,570,141
ii) Cash on hand	75,745	161,743
<b>Total</b>	<b>71,696,326</b>	<b>7,731,884</b>

**11. Bank Balances (other than in note 10 above)**

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
Bank Balances held as Margin Money	5,249,254	9,919,737
Deposits with more than 3 months maturity	50,488,080	-
<b>Total</b>	<b>55,737,334</b>	<b>9,919,737</b>

**12. Other Current Financial Assets**

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
<b>Unsecured, considered good;</b>		
- Advance to Employees	23,692	478,892
- Interest accrued but not due	109,574	-
- Others	1,582,246	2,563,000
<b>Total</b>	<b>1,715,512</b>	<b>3,041,892</b>

**13. Other Current Assets**

<b>Particulars</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
<b>Unsecured considered good</b>		
Advance Income tax ,TDS,TCS etc	26,999,562	6,354,890
Cenvat (or) GST Input receivable	2,563,285	2,167,608
Advances to Supplier	12,460,268	18,029,606
Prepaid expenses	1,503,929	2,384,872
<b>Total</b>	<b>43,527,044</b>	<b>28,936,976</b>

**14. Equity Share Capital:***Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
	<b>Authorized Share Capital</b> 1,00,00,000 Equity shares of Rs. 10/- each	100,000,000
<b>Total</b>	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, subscribed and fully paid up:</b> 66,70,000 Equity shares of Rs. 10 /- each	66,700,000	66,700,000
	-	-
	-	-
<b>Total</b>	<b>66,700,000</b>	<b>66,700,000</b>

**14.1 Movement in respect of Equity Shares is given below :**

Particulars	As at 31-03-2021		As at 31-03-2020	
	Number	Amount in Rs.	Number	Amount in Rs.
At the beginning of the period	6,670,000	66,700,000	6,670,000	66,700,000
(+) Issued during the period*	-	-	-	-
(-) Redeemed during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>6,670,000</b>	<b>66,700,000</b>	<b>6,670,000</b>	<b>66,700,000</b>

**14.2 Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of Re.10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**14.3 Details of Shareholders holding more than 5% shares in the Company**

Particulars	As at 31-03-2021		As at 31-03-2020	
	Number	% of Holding	Number	% of Holding
SRM TRP Properties and Investments P Ltd	1,496,899	22.44%	1,496,899	22.44%
SRM Civil works P Ltd	2,721,060	40.80%	2,401,260	36.00%
	<b>4,217,959</b>	<b>63.24%</b>	<b>3,898,159</b>	<b>58.44%</b>

Amount in Rupees

## 15. Other Equity

For the year ended March 31,2021

Particulars	Reserves and Surplus			Other Compsents of Equity		Total
	General Reserve	Investment allowance reserve utilised	Other reserves	Retained Earnings	Remeasurement of Net Defined benefit Liability/Asset	
Balance as at April 01,2020	13,351,587	1,435,690	974,250	397,647,217	(1,432,640)	411,976,105
Provision For Dividend and taxes	-	-	-	-	-	-
Profit / (Loss) for the period	-	-	-	12,036,385	106,669	12,143,054
Other Comprehensive Income for the Year	-	-	-	-	-	-
<b>Balance as at 31-03-2021</b>	<b>13,351,587</b>	<b>1,435,690</b>	<b>974,250</b>	<b>409,683,603</b>	<b>(1,325,971)</b>	<b>424,119,159</b>

For the year ended March 31,2020

Particulars	Reserves and Surplus			Other Compsents of Equity		Total
	General Reserve	Investment allowance reserve utilised	Other reserves	Retained Earnings	Remeasurement of Net Defined benefit Liability/Asset	
Balance as at April 01,2019	13,351,587	1,435,690	974,250	396,266,776	(635,167)	411,393,135
Provision For Dividend and taxes	-	-	-	-	-	-
Profit / (Loss) for the period	-	-	-	1,380,441	(797,473)	582,968
Other Comprehensive Income for the Year	-	-	-	-	-	-
<b>Balance as at 31-03-2020</b>	<b>13,351,587</b>	<b>1,435,690</b>	<b>974,250</b>	<b>397,647,217</b>	<b>(1,432,640)</b>	<b>411,976,105</b>



**16. Long term Provisions***Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
a) Provisions for employee benefits	138,921	191,888
<b>Total</b>	<b>138,921</b>	<b>191,888</b>

**17. Deferred Tax Asset/ Liability****Tax recognised in Statement of profit and loss**

Particulars	As at 31-03-2021	As at 31-03-2020
<b>Current income tax</b>		
Current year	14,871,120	672,681
<b>Sub Total (A)</b>	<b>14,871,120</b>	<b>672,681</b>
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	12,224,275	3,035,860
Change in accounting policy		
<b>Sub Total (B)</b>	<b>12,224,275</b>	<b>3,035,860</b>
<b>Total (A+B)</b>	<b>27,095,395</b>	<b>3,708,541</b>

**Tax recognised in other comprehensive income**

Particulars	As at 31-03-2021	As at 31-03-2020
Defined benefit plan actuarial gains (losses)-net of tax expense	41,113	(280,193)
<b>Total</b>	<b>41,113</b>	<b>(280,193)</b>

**Reconciliation of effective tax rates**

Particulars	As at 31-03-2021	As at 31-03-2020
Profit before tax	39,279,562	3,234,392
Enacted tax Rate (under Normal Provisions)	27.82%	26.00%
Enacted tax Rate (under MAT)	15.60%	15.60%
<b>Computed Expected Tax Expenses - Normal Provision*</b>	<b>14,871,120</b>	
<b>Computed Expected Tax Expenses - MAT**</b>		<b>672,681</b>
Non-deductible expenses	-	-
Ind AS Transition Adjustment	-	-
OCI Income	-	-
Current tax	14,871,120	672,681
Deferred Tax	12,265,388	2,755,667
<b>Tax Expenses for the year</b>	<b>27,136,508</b>	<b>3,428,348</b>

**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

*Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
<b>Deferred Tax Liability</b>		
Property, Plant & Equipment	18,729,995	11,449,100
Others		
<b>Sub Total</b>	<b>18,729,995</b>	<b>11,449,100</b>
<b>Deferred tax Assets</b>		
Current year business losses	-	5,263,525
Amortised cost computation of debentures and loans outstanding		
On account of timing differences in recognition of expenditure between books of accounts and Taxation	3,109,796	2,830,763
<b>Sub Total</b>	<b>3,109,796</b>	<b>8,094,288</b>
<b>Net Deferred Tax Assets/ (Liabilities)</b>	<b>(15,620,199)</b>	<b>(3,354,811)</b>

**18. Borrowings - Current***Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
<b>Secured - At Amortised cost</b>		
<b>Working Capital Loans</b>		
From Banks		
Rupee Loans *	-	59,045,526
<b>Total</b>	-	<b>59,045,526</b>

The above Working Capital loan secured by

- i). Hypothecation charge on entire current assets of the company (both present and future),
- ii). Hypothecation of entire movable fixed assets of the company (both present & future).
- iii) Hypothecation of Factory land and building

**19. Trade Payables**

Particulars	As at 31-03-2021	As at 31-03-2020
Trade payables		
- Dues to Micro and Small Enterprises (Refer Note -33)	-	-
- Others	51,945,233	36,624,010
<b>Total</b>	<b>51,945,233</b>	<b>36,624,010</b>

**20. Other Financial Liabilities**

Particulars	As at 31-03-2021	As at 31-03-2020
Outstanding Liabilities for Expenses	15,998,327	8,483,178
Payable to employees	1,059,783	3,870,492
<b>Total</b>	<b>17,058,110</b>	<b>12,353,670</b>

**21. Other Current Liabilities**

Particulars	As at 31-03-2021	As at 31-03-2020
Statutory Liabilities	26,723,524	17,034,360
Advance from customers	52,334,120	22,801,306
<b>Total</b>	<b>79,057,644</b>	<b>39,835,666</b>

**22. Short term provision**

Particulars	As at 31-03-2021	As at 31-03-2020
Provision for Employee benefits	11,331,355	12,815,365
<b>Total</b>	<b>11,331,355</b>	<b>12,815,365</b>

**23. Current Tax Liabilities (Net)**

Particulars	As at 31-03-2021	As at 31-03-2020
Provision for Income tax	14,871,120	672,681
<b>Total</b>	<b>14,871,120</b>	<b>672,681</b>

Amount in Rupees

Particulars	For the period ended 31.03.2021 Rs.	For the year ended 31.03.2020 Rs.
<b>24. Revenue from operations:</b>		
i) Sale of products Cement	954,872,181	700,981,904
<b>Total</b>	<b>954,872,181</b>	<b>700,981,904</b>

**25. Other Income:**

Particulars	For the period ended 31.03.2021	For the year ended 31.03.2020
Interest on Fixed Deposit	1,771,925	2,046,051
Interest on Electricity Deposit	1,221,303	1,612,847
Sale of Scrap	817,800	603,581
Creditors written back	-	-
<b>Total</b>	<b>3,811,028</b>	<b>4,262,479</b>

**26. Cost of materials consumed:**

Particulars	For the period ended 31.03.2021	For the year ended 31.03.2020
Consumption of raw materials	130,041,002	97,002,779
Consumption of stores and spare parts	41,666,551	11,001,558
Consumption of Packing material	40,852,026	30,598,082
<b>Total</b>	<b>212,559,569</b>	<b>138,602,418</b>

*Additional Disclosure***Consumption of Major Raw materials**

Fly Ash Consumption	8,617,206	7,131,494
Gypsum Consumption	17,462,072	16,710,299
Lateriate Consumption	39,061,189	25,057,984
Limestone Consumption	58,762,586	46,466,293
Dolomite Consumption	337,949	1,636,709
Clinker Purchase Consumption	5,800,000	-
<b>Total</b>	<b>130,041,002</b>	<b>97,002,779</b>

**27. Changes in inventories of finished goods, work in progress and stock in trade:**

Particulars	For the period ended 31.03.2021	For the year ended 31.03.2020
<b>Closing Balance</b>		
Work in Progress	42,743,935	13,575,290
Finished goods	1,710,000	6,500,850
Total - A	<b>44,453,935</b>	<b>20,076,140</b>
<b>Less :Opening Balance</b>		
Work in Progress	13,575,290	20,276,465
Finished goods	6,500,850	4,588,500
Total - B	<b>20,076,140</b>	<b>24,864,965</b>
<b>Total (A - B)</b>	<b>24,377,795</b>	<b>(4,788,825)</b>

**28. Power and Fuel**

Particulars	For the period ended 31.03.2021	For the year ended 31.03.2020
Coal Consumption	259,384,683	198,258,885
Power Charges	154,717,500	128,940,913
<b>Total</b>	<b>414,102,183</b>	<b>327,199,798</b>

Particulars	Amount in Rupees	
	For the period ended 31.03.2021 Rs.	For the year ended 31.03.2020 Rs.
<b>29. Employee benefits expense</b>		
Salaries, wages and bonus	50,338,081	52,656,638
Contribution to provident and other funds	2,317,945	2,683,885
Directors remuneration	9,600,000	10,200,000
Staff welfare expenses	3,446,030	5,172,696
Earned leaves	3,747,671	3,595,768
Gratuity	1,172,868	1,099,139
	<b>70,622,596</b>	<b>75,408,126</b>
<b>30. Finance Costs:</b>		
i) Bank Charges	-	-
ii) Interest on Other	20,708	1,873
iii) Axis Bank OD Interest	783,267	7,955,964
	<b>803,975</b>	<b>7,957,837</b>
<b>31. Depreciation and amortization:</b>		
i) Depreciation	19,411,580	10,582,846
	<b>19,411,580</b>	<b>10,582,846</b>
<b>32. Other expenses:</b>		
<b>Selling &amp; Distribution expenses</b>		
i) Selling expenses	7,335,603	4,127,129
ii) Cement Outward Freight ( FOR)	119,263,980	89,552,907
	<b>126,599,583</b>	<b>93,680,036</b>
<b>Other expenses:</b>		
i) Rent	724,480	832,580
ii) Factory Maintenance	16,154,404	12,860,539
iii) Repairs to Plant and Machinery	1,762,884	1,569,429
iv) Repairs to Other Assets	-	27,180
v) Repairs to Buildings	-	8,500
vi) Rates and taxes	423,223	715,015
vii) Licence Fee	589,572	171,731
viii) Insurance	1,215,048	487,949
ix) Printing and Stationery	467,153	456,417
x) Postages & Telecommunication	34,001	712,545
xi) Payment to the auditors as		
- auditor	400,000	400,000
- for taxation matters	50,000	50,000
- for Audit Expenses	-	47,985
xii) Conveyance ,Travelling exp and others	843,430	1,557,776
xiii) Legal and professional charges	1,449,106	1,523,010
xiv) Freight Cooly & Cartage	1,305,053	986,925
xv) General Expenses	8,104,600	4,692,694
xvi) Security Charges	2,910,738	3,178,977
xvii) Bank Charges	125,757	1,114,633
xviii) Miscellaneous expenses	2,270,290	2,121,348
xix) Bad debts written off	8,000,000	-
xx) Provision for Loans and Advances	53,000,000	-
	<b>99,829,738</b>	<b>33,515,233</b>
<b>Total</b>	<b>226,429,320</b>	<b>127,195,269</b>

*Amount in Rupees*

Particulars	As at 31-03-2021	As at 31-03-2020
	Rs.	Rs.
<b>33. Earnings per share:</b>		
After extraordinary item:		
Profit for the year after tax expense	-	-
Less:		
Preference dividend payable including dividend tax	-	-
Weighted average number of equity shares	6,670,000	6,670,000
Earning per share	-	-
Before extraordinary item:		
Profit for the year after tax expense	12,143,055	582,968
Adjustment for Extraordinary item (net of tax)	12,143,055	582,968
Less:		
Preference dividend payable including dividend tax	12,143,055	582,968
Weighted average number of equity shares	6,670,000	6,670,000
Earning per share	1.82	0.09

## HEMADRI CEMENTS LIMITED

### Notes to IND AS financial statements for the year ended March 31, 2021

#### 34. Contingent Liabilities

**Guarantees:** Outstanding Guarantees furnished by banks on behalf of the company is Rs.2,08,84,600.(PY Rs. 2,08,84,600)

35. In view of the lock-down declared across the country by the Central / State Governments due to COVID-19 pandemic during the year 2020-2021, the company's operations were slightly impacted. The operations have since resumed in a phased manner in compliance with the guidelines issued by the relevant regulatory authorities and also the Company's standard operating procedures.

#### 36. Information in respect of Micro, Small and Medium Enterprises

Amount remaining unpaid to any supplier:

- a) Principal Amount – Nil (PY Nil)
- b) Interest due thereon – Nil (PY Nil)

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid / payable as required under the Act have not been given.

37. The Company advanced a sum of .Rs.17,73,48,301/-to HCL Agro Power Limited in the past to purchase power. However, the operation of HCL Agro Power Limited completely stopped few years back and there is no scope of the power being supplied. In view of this, considering the financial position/assets of HCL Agro Power Limited, company consider it prudent to estimate a provision . Accordingly a sum of Rs.5,30,00,000 is estimated and provided for during the year.

## Disclosure requirements of Indian Accounting Standards

## 38. Disclosures in respect of Ind AS 107 - Financial Instruments

## a. Financial Instruments by Categories

(March 31, 2021)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI
<b>Assets:</b>			
Other Long Term Financial Assets	2,89,59,154		
Non-Current Investments			60,00,000
Current Trade Receivables	9,16,84,113		
Cash & Cash Equivalents	7,16,96,326		
Other Bank Balances	5,57,37,334		
Other Financial Assets	17,15,512		
<b>Liabilities:</b>			
Other Financial Liabilities	1,70,58,110		
Trade Payables	5,19,45,233		

(March 31, 2020)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI
<b>Assets:</b>			
Other Long Term Financial Assets	2,87,61,034		
Non-Current Investments			60,00,000
Current Trade Receivables	12,26,00,231		
Cash & Cash Equivalents	77,31,884		
Other Bank Balances	99,19,737		
Other Financial Assets	30,41,892		
<b>Liabilities:</b>			
Other Financial Liabilities	1,23,53,670		
Trade Payables	3,66,24,010		

### b. Fair Value Hierarchy

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

### Financial risk management

The Company's activities expose to limited financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

#### Market Risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument.

The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), Interest rate risk and the market value of its investments.

#### Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. It principally arises from the Company's Trade Receivables, Advances and deposit(s) made

#### Trade receivables:

The company has outstanding trade receivables amounting to Rs.9,16,84,113 and Rs.12,26,00,231 as of March 31,2021 and March 31,2020 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The company is not exposed to concentration of credit risk to any one single customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.

Further for amounts overdue are constantly monitored by the management and provision towards expected credit loss are made in the books. Management estimated of expected credit loss for the Trade Receivables are provided below with the classification on debtors.



**Credit risk exposure:**

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	March 31, 2021		March 31, 2020	
	Gross	Impairment	Gross	Impairment
0 to 180 days	1,35,94,838	-	4,41,29,345	-
More than 180 days	7,80,89,275	-	7,84,70,886	-

Trade receivables are impaired in the year when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired for each reporting dates under review are of good credit quality.

**Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and Short term facilities from banks.

The company manages liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues, advances received from customers during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short-term liquidity requirements.

**Interest Rate Risk**

The company has a limited exposure to Interest rate risk, as it does not have any variable interest rate exposure.

**Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. 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 or by adequate funding by the shareholders to absorb the losses of the Company. The Company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

### 39. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

i) General description of various defined employee’s benefits schemes are as under:

a. **Provident Fund:**

The company’s Provident Fund is managed by EPFO. The company pays fixed contribution to provident fund at pre-determined rate.

b. **Gratuity:**

Gratuity is a defined benefit plan, provided in respect of past services based on the actuarial valuation carried out by LIC of India and corresponding contribution to the fund is expensed in the year of such contribution.

The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

ii) The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income(OCI) and Balance Sheet & other disclosures are as under:

#### **Movement in defined benefit obligation:**

Particulars	31.03.2021	31.03.2020
Defined benefit obligation - Beginning of the year	102,29,378	84,17,519
Current service cost	10,75,743	9,96,919
Net Interest Cost	97,125	1,02,220
Benefits Paid	(42,50,221)	(8,20,392)
Re-measurements - actuarial loss/(gain)	(2,12,397)	10,40,604
Defined benefit obligation – End of the year	74,11,403	1,02,29,378

**Movement in Plan asset:**

Particulars	31.03.2021	31.03.2020
Fair value of plan assets at beginning of year	81,09,674	65,26,795
Employer contributions	(45,493)	19,47,825
Benefits paid	(42,50,221)	(8,20,392)
Re-measurements – Return on plan assets	(64,615)	(37,062)
Re-measurements - actuarial (loss)/gain	(2,12,397)	10,40,604
Fair value of plan assets at end of year	43,12,106	81,09,674

**Amount recognised in Statement of Profit and Loss**

Particulars	31.03.2021	31.03.2020
Current service cost	10,75,743	9,96,919
Curtailement cost/(credit)	-	-
Expected return on Plan Assets	-	-
Net Interest on Net Defined Benefit Liability/(assets) (B)	97,125	1,02,220
Past service cost	-	-
<b>Cost Recognized in P&amp;L</b>	<b>11,72,868</b>	<b>10,99,139</b>

**Amount recognised in Statement of Other Comprehensive Income**

Particulars	31.03.2021	31.03.2020
Actuarial (gain)/loss due to assumption changes	(2,12,397)	10,40,604
Return on Plan assets	64,615	37,062
<b>Actuarial (gain)/loss recognized in OCI</b>	<b>(1,47,782)</b>	<b>10,77,666</b>

**Actuarial Assumptions**

Particulars	31.03.2021	31.03.2020
Discount rate	6.57%	6.14%
Rate of salary increase	4%	4%
Attrition Rate(Past Service 0 to 40)	2%	2%
Retirement Age		
Average Future Service	10.84%	9.88%

**40. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”**

(March 31, 2021)

Description	At the beginning of the year	Addition.	Used	At the end of the year
Provision for leave encashment(including sick and C off leaves)	60,38,313	35,65,844	51,45,852	44,58,305
Provision for gratuity	21,19,704	10,32,560	52,967	30,99,297
Provision for Income Tax	6,72,681	1,48,71,120	6,72,681	1,48,71,120

(March 31, 2020)

Description	At the beginning of the year	Addition.	Used	At the end of the year
Provision for leave encashment(including sick and C off leaves)	93,46,362	35,95,768	69,03,817	60,38,313
Provision for gratuity	18,90,724	21,76,805	19,47,825	21,19,704
Provision for Income Tax	14,32,374	6,72,681	14,32,374	6,72,681

**41. Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”**

**a. Names of related parties and description of relationship:**

1	Key Managerial Personnel:	Mr. P.Ravi (Chairman) Mr. S.Vivekanandan Murugan (upto 28 feb 2021)(Director & CEO) Mr. C.MohanaKrishna (CFO) Ms. HemaNagarajan(upto 28 Feb 2021) ( Company Secretary)
2	Companies in which directors are interested:	M/s HCL Agro Power Ltd M/s SRM Transports India Pvt Ltd M/s SRM Civil Works Pvt Ltd M/s SRM Engineering Construction Corporation Ltd M/s SRM Global Cements Corporation Ltd M/s SRM Hotels Private Limited
3	Relatives of Key Management Personnel	Mr. T.R.Pachamuthu Mr. P. Satyanarayanan

## b. Transactions with related parties during the year:

Particulars	KMP	Companies in which directors are interested.	Relative of KMP
<b>Sales of Goods</b>			
SRM Civil Works Pvt Ltd		9,17,762 (2,08,07,202)	
SRM Global Cements Corporation Ltd (including duties and taxes)		5,02,000 (2,000)	
<b>Expenses</b>			
SRM Transports India Pvt. Ltd (Transport outward)		Nil (6,410)	
<b>Remuneration</b>			
P Ravi - Chairman	30,00,000 (30,00,000)		
S.Vivekanandan Murugan - Director&CEO	72,16,000 (72,00,000)		
C. Mohana Krishna – CFO	20,15,749 (18,55,276)		
HemaNagarajan –Company Secretary	13,66,000 (16,24,000)		
<b>Rent Paid</b>			
Mr. T.R. Pachamuthu			2,50,000 (3,00,000)
<b>Loans and Advances Given</b>			
HCL Agro Power Ltd		3,07,537 (10,05,342)	

c. Closing Balances at the year ended 31<sup>st</sup> March 2021 :

Particulars	KMP	Director Interest Companies	Relative of KMP
<b>Loans and Advance Receivable</b>			
HCL Agro Power Ltd		17,73,48,301 (17,70,40,764)	
<b>Trade Receivables</b>			
SRM Civil Works Pvt Ltd		27,93,408 (27,93,408)	
SRM Global Cement Corporation Ltd		7,38,46,752 (7,33,44,752)	

Note : Values in the bracket represent previous year values.

(\* ) Reimbursement of expenses is not considered in the above related party transactions.

## 42. Operating Segments

The Company is engaged in the production and sale of “Cement” and therefore, has only one reportable segment in accordance with Ind AS 108 ‘Operating Segments’.

### Information relating to geographical areas

The company’s operations is restricted to India and the whole of company’s revenue is received from sales within India. The company’s only manufacturing facility is located in Andhra Pradesh, India and no non-current assets are held outside India.

### Information about major customers

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Number of external customers each contributing more than 10% of total revenue	-	-
Total revenue from the above customers (Excluding Taxes)	-	-

43. Previous year figures have been regrouped wherever necessary.

As per our report of even date attached

For B.PURUSHOTTAM & CO

Chartered Accountants

FRN: 002808S

For and on behalf of the Board of Directors

**B.S.Purshotham**

**Partner**

**M No.: 026785**

**P.Ravi**  
**Chairman**  
**DIN:00675665**

**R.Ananda Priya**  
**Director**  
**DIN: 01768355**

Chennai

Dated 29-06-2021

**C.Mohana Krishna**  
**CFO**

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