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CIN: L26942TG1978PLC002315

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Date: 25-02-2021

Sub: Submission of Audited Financial Results and Audit Report u/s 33 of SEBI (LODR),  
2015 for the Year ended 31<sup>st</sup> March, 2020.  
Reg: Bheema Cements Limited (Scrip Code: 518017)

Dear Sir,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in the meeting held on Thursday, the 25<sup>th</sup> of February, 2021, inter-alia, have discussed and approved the Audited Financials Results and Audit Report for the year ended 31<sup>st</sup> March, 2020.

The Other agenda Items intimated on 05-01-2021 were not taken up/not concluded.

The Meeting of the Board of Directors commenced at 05: 00 P.M and concluded at 07:00 P.M.

This is for your information and necessary records.

Thanking You,

Yours Faithfully,

For **BHEEMA CEMENTS LIMITED**



**Kandula Prasanna Sai Raghuvver**

Managing Director

(DIN: 07063368)



**P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
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## Independent Auditors' Report

**To The Members of  
Bheema Cements Limited**

**Report on the Audit of Financial Statements**

**Disclaimer of Opinion**

We were engaged to audit the accompanying financial statements of Bheema Cements Limited (the Company), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

Because of the significance of the matters described in the "Basis for disclaimer of opinion" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Accordingly, we do not express an opinion on the financial statements.

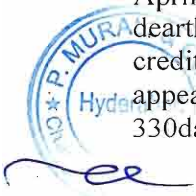
**Basis for disclaimer of opinion**

- 1) The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Bheema Cements Limited ("the Company") on 9<sup>th</sup> July, 2018 (CP(IB) 97/7/HDB/2018) and appointed Sri G. Madhusudhan Rao on 9<sup>th</sup> July, 2018 to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

Sri G. Madhusudhan Rao has been appointed as Resolution professional as approved by the Committee of Creditors. Insolvency and Bankruptcy process under IBC code has started on 9<sup>th</sup> July, 2018 which is time bound by 180 days from the date of commencement of Insolvency process. The Resolution professional and Committee of Creditors has conducted many meetings for invitation of expression of interest by resolution applicants, two resolution plans received by the Resolution Professional and got rejected in the COC meeting due to non compliance with the IBC and RFRP conditions. Further Committee of creditors directed the Resolution professional to apply for extension of time with Adjudicating authority as allowed by IBC code.

Adjudicating Authority has further extended 90 days towards Insolvency and resolution process. However no resolution plans were received by the company and mandatory time limit of Insolvency and bankruptcy process was completed on 5<sup>th</sup> April, 2019.

Committee of creditors filed an Interlocutory Application (IA) with Adjudicating authority on 5<sup>th</sup> April, 2019 for extension of CIRP Period beyond 270 days and it was dismissed by the Tribunal for dearth of valid grounds. Aggrieved by the order passed by the Adjudicating authority, Committee of creditors preferred Appeal before Hon'ble NCLAT, New Delhi. The Hon'ble NCLAT disposed the appeal on 18<sup>th</sup> July, 2019 directing the COC to take advantage of the amendment which allowed 330 days in the place of 270 days CIRP Period.





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Pursuant to Hon'ble NCLAT, New Delhi order dated 18<sup>th</sup> July, 2019 and IBC Amendments dated 16<sup>th</sup> Aug, 2019, Committee of Creditors filed an IA which was allowed by the Adjudicating authority on 20<sup>th</sup> August, 2019 by granting further extension of 90 days.

The Resolution professional has invited the interested buyers for the purpose of sale of company and The Consortium of Fortuna deposited EMD amount of Rs. 2Crores in the form of Cheques on 04<sup>th</sup> October, 2019.

In the Committee of creditors meeting held on 30<sup>th</sup> October, 2019, the COC members reviewed and approved the Resolution plan submitted by Consortium of Fortuna Engi Tech and Structural (India) Private Limited, Mr. T Raja Kishore, Mr. Prasanna Sai Raghuvver Kandula, Promoter of Fortuna and Murgud Vincom Private Limited (Consortium of Fortuna /"Resolution Applicant).

As a sequel to above, the Resolution plan submitted by Consortium of Fortuna /Resolution Applicant which is approved by members of COC having 99.53% voting share stands approved by the Hon'ble NCLT, Hyderabad vide it's order dated 11.02.2020 as per Section 31 (1) of the IBC Code.

(Please refer to Note NO.25(1)notes to financial statements)

2) We refer to the following Key points mentioned in the Order dated 11.02.2020 by the Hon'ble NCLT, Hyderabad below:

- The share capital i.e,Rs. 55,70,35,600/- of the corporate debtor shall be reduced to 2 Equity shares of Rs. 10 each ( i.e, 1 Equity share to the promoter group and 1 Equity share to public and individuals ) without any consideration payable to the existing shareholders adhering to the provisions of Companies Act and SEBI Act.
- As per the Resolution plan, the Resolution applicant will subscribe new 3 crore equity shares of corporate debtor of Rs. 30 Crore. The Secured financial creditor's part of the dues will be converted into equity to the extent of 8% of total first time subscribed Equity Share capital i.e the Resolution Applicant share of equity will be 92% and Secured financial Creditors equity share will 8% on initial subscription of the Equity capital only. However at any time the Equity share capital of Secured financial Creditors should not exceed Rs.2.61 Crores.i.e Equity shares of 26.1 lacs only. The Revised Equity structure would be as follows:

S.No	Name of the Secured Financial Creditor	Share Capital not Exceeding Rs. Crores	No. of Shares not exceeding (No in Lacs)
1	Resolution Applicants	30.00	300.00
2	JM Finance Asset Reconstruction Company Limited	2.436	24.360
3	Corporation Bank	0.174	1.740
	TOTAL	32.610	326.100



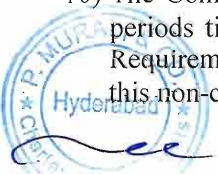


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- with reference to clause 17 (d) of the Resolution plan, management and control of Bheema cements Ltd will be handed over to the Resolution Applicant post payment of Rs. 20 crore (as per clause 20.2 of Hon'ble NCLT order) payable to the secured Financial creditors and post payment of Rs. 10 crores towards CIRP Cost and Other creditors. From effective date to handover of management and control to the Resolution Applicant, the Management Committee (MC) shall manage and control the Corporate debtor.  
(Please refer to Note NO.25(2) notes to financial statements)
- 3) Attention is drawn to Note Nos. 25 (1) of the financial statements which brings out in detail the fact that the Company's net worth has eroded by its accumulated losses as at the end of the current year. The Company suspended / shut down its operations and not in to active production since 2014 onwards.
- 4) The company has written off the deferred tax Liability pertaining to earlier financial years to statement of profit & loss in the current year amounting to Rs. 32.57 Crores.  
(Please refer to Note NO.25(9) notes to financial statements)
- 5) As per the Resolution Plan approved by the Hon'ble NCLT order vide it's order dated 11.02.2020, the existing shares of Corporate Debtor (Bheema Cements Limited) shall stand extinguished and existing shareholders will become claimants from CIRP Proceedings since corporate debtor is sold as a going concern. Existing Equity share capital prior to corporate insolvency process, Securities Premium Reserves has been transferred to Capital Reserve an amount of Rs. 69.95 Crores (Share Capital amount Rs. 55.70 crores and Securities Premium amount Rs. 14.25 Crores) in the current financial year 2019-2020.  
Approvals from SEBI, Stock exchange, Registrar of Companies towards the same are pending and approvals yet to be obtained.  
(Please refer to Note NO.25(4)(i) notes to financial statements)
- 6) The infusion of New Capital to the tune of Rs. 20.00 Crores has been considered as share application money while preparation of financial statements by the management of the Company.  
(Please refer No 25(4)(ii) to notes to financial statements)
- 7) The company has written off Assets during the year to an amount of Rs. 8.53 Crores (Inclusive of Inventory, Trade receivables and other current assets as described in notes):  
(Please refer No 25(4)(iii) to notes to financial statements)
- 8) The company has written off Liabilities during the year to an amount of Rs. 237.66 Crores (Inclusive of provisions, deferred tax liability, Other non current liabilities, borrowings trade payables, other current liabilities as described in notes)  
(Please refer No 25(4) (iv) to notes to financial statements)
- 9) During the year under audit, the Company has not provided depreciation on Property, Plant and Equipment including impairment, if any, of Other Intangible Assets.  
(Please refer No 25(4)(v) to notes to financial statements.)
- 10) The Company has not filed its financial results for the periods ended 30 June 2018 and subsequent periods till date as prescribed under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequently, we are unable to comment on the impact, if any, of this non-compliance on the financial statements.







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11) Previous year financial statements figures are not comparable with those of current years as of the current year financial statements are prepared as per the Hon'ble NCLT, Hyderabad vide it's order dated 11.02.2020.

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

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

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

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

### **Management's Responsibility for the Financial Statements**

Bheema Cements Limited was under Corporate Insolvency Resolution Process [CIRP] under Insolvency and Bankruptcy Code (the Code). Its affairs, business and assets was managed by the Resolution Professional appointed by the Hon'ble NCLT Hyderabad vide its Order dated 09.07.2018 under the provisions of the Code as Interim Resolution Professional and subsequently as per section 22 of the Code as Resolution Professional of Bheema Cements Limited. The operations and affairs of the company were managed by the resolution professional for the period 01-04-2019 to 11-02-2020. The directors were appointed on 18.06.2020 with effect from 11.02.2020.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.



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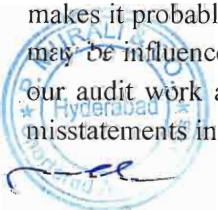
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by 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 and except for the effects, if any, of the matters described in the basis for "disclaimer of opinion" paragraph, we enclose 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, based on our audit we report that:

a) As described in the "basis for disclaimer of opinion" paragraph, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

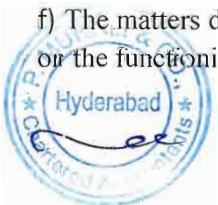
b) Due to the possible effects of the matters described in the basis for "disclaimer of opinion" paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account, as maintained

d) Due to the possible effects of the matters described in the basis for "disclaimer of opinion" paragraph *above*, In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) Due to the effect of the related matters described in the basis for "disclaimer of opinion" paragraph, we are unable to state whether the financial statements comply with the Ind AS (Indian Accounting Standard) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) The matters described in the basis for "disclaimer of opinion paragraph" above may have an adverse effect on the functioning of the Company;







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g) The directors were appointed on 18.06.2020 with effect from 11.02.2020, none of these directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

h) 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”. Our report expresses “disclaimer of opinion” on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

i) 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, no remuneration was paid by the Company to its directors during the year, and accordingly provisions of section 197 of the Act are found *Not Applicable*.

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

i. In view of the related matters described in “basis for disclaimer of opinion”, we are unable to state whether note 25(24) to the financial statements discloses the complete impact of pending litigations on the financial position in the financial statements of the Company.

ii. In view of the related matters described in paragraph 2, “basis for disclaimer of opinion”, we are unable to state whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts (the Company does not have any derivative contracts); and

iii. No amount is outstanding/pending and required to be transferred to the Investor Education and Protection Fund by the Company, as on the date of the financial statements.

For P.Murali & Co.,  
Chartered Accountants  
FRN: 007257S

**A. Krishna Rao**  
M.No: 020085  
Partner  
UDIN: 21020085AAAAJI2711



Place: Hyderabad  
Date: 25.02.2021





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### **Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Bheema Cements Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We were engaged to audit the internal financial controls over financial reporting of Bheema Cements Limited ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion on the Company's internal financial control system over financial reporting.





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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and

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

### **Inherent Limitations of Internal Financial Controls 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.

### **Disclaimer of Opinion**

As described in our audit report, a number of matters relating to financial statements have been observed and have formed basis of disclaimer in our main report and which clearly illustrate that the Company had not established internal financial controls system with reference to Ind AS financial statements and that whatever financial controls with reference to Ind AS financial statements had been established were not operating effectively.

Further according to the information provided to us and explanations offered to us, the Company has suspended/shut down its operations since March 2014 and most of the employees have left the company.

A material weakness is a deficiency or a combination of deficiencies, in internal Financial Control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

Because of the matters described on the "basis of disclaimer opinion" paragraph of the audit report, we are not in position to express our opinion on the effectiveness of internal controls over financial reporting as of 31<sup>st</sup> March 2020, considering the essential components of internal controls as stated by the Guidance Note issued by the Institute of Chartered Accountants of India.





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We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2020 Ind AS financial statements of the Company and these material weaknesses have inter-alia affected our opinion on the financial statements of the Company and we have issued a "disclaimer of opinion" on the financial statements.

For P.Murali & Co.,  
Chartered Accountants  
FRN: 007257S

A. Krishna Rao  
M.No: 020085  
Partner  
UDIN: 21020085AAAAJI2711



Place: Hyderabad  
Date: 25.02.2021.



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Website : www.p murali.com

### Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Bheema Cements Limited of even date) .

On the basis of such checks as we considered appropriate and according to the information and explanations given to us, we report that:

- (i) In respect of the Company's Property Plant and Equipment
- a) Based on the information provided and explanations offered to us, the Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment
- b) On the basis of information and explanations given to us, the physical verification of Property, Plant and Equipment has not been carried out during the year. As the factory and operations of the Company have been suspended/shut down since March 2014, we are not in a position to comment whether there are any material discrepancies between the book records and physical assets.
- c) According to the information provided to us and explanations offered to us-
- Title deeds of the immovable properties securitized to lenders were reported to be in the custody of the ARC (JM Financial Asset Reconstruction Company Limited) consequent to the assignment of dues by the Banks and as the same were not made available to us, we were unable to verify the same.
  - However, Title deeds of immovable properties which are freehold were not made available to us, we were unable to verify the same.
  - In respect of immovable properties being lands that have been taken on lease for mining and disclosed as fixed assets in the financial statements, the lease agreements are noted to be in the name of the Company and are pending for renewal.
- (ii) The company does not hold any inventories as at the year end.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans or made any Investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- (vi) The Central Government has prescribed the maintenance of Cost Records under the Companies (Cost Records and Audit) Rules, 2014 under Section 148 (1) (d) of the Companies Act, 2013. However, since the operations of the company have been suspended/shut down since 2014, we are unable to comment on the maintenance of cost records.
- (vii) In respect of statutory dues:

There were no undisputed amounts payable in respect of Income-tax and other material statutory dues except workmen dues as per the Hon'ble NCLT vide it's Order dated 11.02.2020.

Particulars	Amount (in crores)
WORKER'S PRIORITY DUES	0.70







## P. MURALI & CO.,

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
          . 2339 3967, 2332 1470  
Fax : (91-40) 2339 2474  
E-mail : pmurali.co@gmail.com  
          info@pmurali.com  
Website : www.pmurali.com

- (viii) Except for the effects of the matters described in the basis of “disclaimer of opinion” paragraph of our independent auditor’s report and according to the information and explanations given to us, Company has defaulted in repayment of dues to Banks or Financial Institutions/ARC, However Resolution Applicant has submitted the successful resolution plan which approved by the Hon’ble NCLT, Hyderabad Bench vide it’s order dated 11.02.2020 and Sanctioned the Repayment schedule over a period of 28 months time. The total amounts Payable to the banks and financial institutions as on 31.03.2020 is given below ( Please refer to Note No.25(3) to the notes to financial statements)

Name of the Bank/Financial Institution	Total amounts Payable as on 31.03.2020 (Rs. in Lakhs) As per Resolution Plan dated 11-02-2020
JM Financial Asset Reconstruction Company Limited	16745.86
Corporation Bank	1184.14
<b>Grand Total</b>	<b>17930.00</b>

- (ix) As per the resolution plan approved by the Hon’ble NCLT, Hyderabad Bench vide it’s order dated 11.02.2020, the company has allotted two equity shares (i.e, 1 Equity share to the promoter group and 1 Equity share to public and individuals without any consideration payable to the existing shareholders adhering to the provisions of Companies Act and SEBI Act. However the successful resolution applicant has brought the amount towards paid up capital which shall be pending for allotment for the year ending 31<sup>st</sup> March 2020.  
(Refer 25(2)(iii), 25(4)(ii) in notes to the financial statements).
- (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 give to us and based on our examination of the records of the Company, the Company has not paid / provided for any managerial remuneration during the year under audit and accordingly, provisions of Section 197 of the Companies Act, 2013.
- (xii) According to the information and explanations give to us, the Company is not Nidhi Company in terms of the Nidhi Rules, 2014.
- (xiii) The company has not formed Audit Committee under section 177 of the Companies Act,2013. There are no transactions with the related parties during the year which are required to be reported under section 188 of the Companies Act, 2013.
- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment / private placement of shares or fully / partly convertible debentures during the year under review.
- (xv) Except for the effects of the matters described in the “basis of the disclaime”r of opinion paragraph of the audit report, according to the information available as at present and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the period under review.





**P. MURALI & CO.,**  
CHARTERED ACCOUNTANTS  
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HYDERABAD - 500 082. INDIA

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info@pmurali.com  
Website : www.pmurali.com

(xvi) According to the information and explanations give to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For P.Murali& Co.,  
Chartered Accountants  
FRN: 007257S

A. Krishna Rao  
M.No: 020085  
Partner  
UDIN: 21020085AAAAJI2711



Place: Hyderabad  
Date: 25.02.2021

Bheema Cements Limited			
Balance Sheet as at 31.03.2020			
Particulars	NOTE	Rs. in Lakhs	
		As At Mar 31 '2020	As At Mar 31 '2019
<b>ASSETS</b>			
<u>Non-current assets</u>			
a) Property, plant and equipment	2	32,535.03	32,535.03
b) Capital work in progress	3	8.09	8.09
c) Investment Property		-	-
d) Goodwill		-	-
e) Other intangible assets	4	1,173.37	1,173.37
f) Intangible assets under development		-	-
g) Biological Assets other than bearer plants		-	-
h) Financial assets		-	-
i) Investments		-	-
ii) Trade Receivables		-	-
iii) Loans		-	-
iv) Others		-	-
i) Deferred tax assets (net)		-	-
j) Other non-current assets		-	-
		<b>33,716.49</b>	<b>* 33,716.49</b>
<u>Current assets</u>			
a) Inventories	5	-	413.68
b) Financial assets		-	-
i) Investments		-	-
ii) Trade receivables	6	-	371.36
iii) Cash and cash equivalents	7	1,140.36	35.91
iv) Other Bank Balances		-	-
v) Loans		-	-
vi) Others		-	-
c) Current Tax Assets		-	-
d) Other current assets	8	814.50	882.69
		<b>1,954.86</b>	<b>1,703.64</b>
<b>TOTAL ASSETS</b>		<b>35,671.35</b>	<b>35,420.13</b>
<b>EQUITY AND LIABILITIES</b>			
<u>Equity</u>			
a) Equity share capital	9	-	5,570.36
b) Share Application Money	9.1	2,000.00	-
b) Other equity	10	15,471.10	-12,116.52
Total equity		<b>17,471.10</b>	<b>-6,546.16</b>
<u>Non-current liabilities</u>			
a) Financial liabilities		-	-
i) Borrowings		-	-
ii) Trade payables		-	-
iii) Other financial liabilities		-	-
b) Provisions	11	-	25.19
c) Deferred tax liabilities (Net)	12	-	3,257.92
d) Other non-current liabilities	13	-	3,310.05
		-	<b>6,593.16</b>
<u>Current liabilities</u>			
a) Financial liabilities		-	-
i) Borrowings	14	17,930.00	4,581.10
ii) Trade payables	15	-	4,768.12
iii) Other financial liabilities	16	-	16,176.99
b) Other current liabilities	17	200.25	9,846.92
c) Provisions	18	70.00	-
d) Current tax liabilities (Net)		-	-
		<b>18,200.25</b>	<b>35,373.13</b>
<b>TOTAL LIABILITIES</b>		<b>18,200.25</b>	<b>41,966.29</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,671.35</b>	<b>35,420.13</b>

As per our report of even date attached  
For P. Murali & Co.  
Chartered Accountants  
Firm Registration No. 0072575

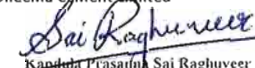
  
A. KRISHNA RAO  
Partner  
M. No. 020085

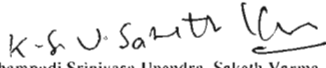
Place: Hyderabad  
Date: 25.02.2021



For the Board of Directors of Bheema Cement Limited

  
Tadiemella Raja kishore  
Director  
DIN: 02091671

  
Sai Raghuveer  
Director  
DIN: 07063368

  
Kuchampudi Srinivasa Upendra Saketh Varma  
Director  
DIN: 07087346



Bheema Cements Limited Statement of Profit and Loss			
(Rs. in Lakhs)			
Particulars	Note	For the year Mar 31 '2020	For the year ended Mar 31 '2019
Revenue from operations		-	-
Other income	19	17.75	0.45
<b>Total income</b>		<b>17.75</b>	<b>0.45</b>
<b>Expenses</b>			
Cost of materials consumed		-	-
Employee benefits expense	20	0.35	108.22
Finance costs	21	-	54.61
Depreciation and amortization expense	22	-	1418.82
Other expenses	23	1093.62	352.96
<b>Total expenses</b>		<b>1093.97</b>	<b>1934.61</b>
<b>Profit before Exceptional items and tax</b>		<b>-1076.22</b>	<b>-1934.16</b>
Exceptional Items		-	-
<b>Profit / (Loss) before tax</b>		<b>-1076.22</b>	<b>-1934.16</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		-	-
Profit (Loss) for the period from continuing operations		-1076.22	-1934.16
Profit/(loss) from Discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>-1076.22</b>	<b>-1934.16</b>
Other comprehensive income		-	-
A) (i) Items that will not be reclassified to profit or loss		-	-
Remeasurements of the defined benefit plan		-	-
(ii) Income tax relating to items that will not be reclassified to P/L		-	-
B) (i) Items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period (Comprising Profit(Loss) and Other Comprehensive Income for the period)</b>		<b>-1076.22</b>	<b>-1934.16</b>
<b>Earnings per equity share (for continuing operation):</b>			
Basic		-538.11	-6.83
Diluted		-538.11	-6.83

As per our report of even date attached

For P. Murali &amp; Co.

Chartered Accountants

Firm Registration No. 007257S



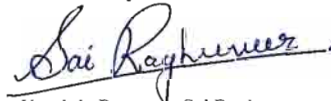
A. KRISHNA RAO  
Partner  
M. No. 020085


 Place: Hyderabad  
Date: 25.02.2021

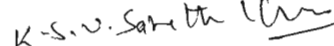
For the Board of Directors of Bheema Cement Limited



Tadimella Raja kishore  
Director  
DIN: 02091671



Kandula Prasanna Sai Raghuvver  
Director  
DIN:07063368



Kuchampudi Srinivasa Upendra Saketh Varma  
Director  
DIN: 07087346






Bheema Cements Limited Cash Flow Statement		
	For the Year ended	
	March 31'2020	March 31'2019
<b>Cash flow from Operating Activities</b>		
Profit for the Period	(1076.22)	(1,934.16)
Adjustments for :		
Depreciation and amortization expense	-	1,418.82
Allowance for doubtful debt	-	-
Finance costs	-	54.61
Interest Income	(17.75)	-
Liability written off	-	-
<i>Changes in operating assets and liabilities</i>	-	-
Trade receivables	-	-
Inventories	-	-
Other assets	-	(44.37)
Trade payables	-	290.85
Other liabilities	198.42	(177.95)
<b>Net cash provided by operating activities before taxes</b>	<b>(895.55)</b>	<b>(392.20)</b>
Income taxes paid	-	-
<b>Net cash provided by operating activities</b>	<b>(895.55)</b>	<b>(392.20)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	-	(7.75)
Proceeds from sale of property, plant and equipment	-	-
Proceeds from sale Raw Materials	-	-
<b>Net cash (used in)/or provided by investing activities</b>		<b>(7.75)</b>
<b>Cash flow from financing activities</b>		
Finance costs paid		(54.61)
Share Application money	2000.00	-
Change in other NCL		467.32
<b>Net cash used in financing activities</b>		<b>412.71</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents		-
<b>Net increase in cash and cash equivalents</b>	<b>1104.45</b>	<b>12.76</b>
Cash and cash equivalents at the beginning of the period	35.91	23.15
<b>Cash and cash equivalents at the end of the period</b>	<b>1140.36</b>	<b>35.91</b>

For the Board of Directors of Bheema Cement Limited

As per our report of even date attached  
 For P. Murali & Co.  
 Chartered Accountants

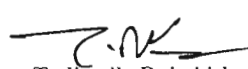

Firm Registration No. 007257S

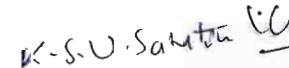
  
**A. KRISHNA RAO**  
 Partner  
 M. No. 020085



Place: Hyderabad  
 Date: 25.02.2021.

BONDING THE FUTURE

   
**Tadimella Raja kishore** **Kandula Prasanna Sai**  
 Director **Raghuvver**  
 Director  
 DIN: 02091671 DIN:07063368

  
**Kuchampudi Srinivasa Upendra Saketh Varma**  
 Director  
 DIN: 07087346



**Bheema Cements Limited**

Significant accounting policies and notes to the accounts  
For the year ended March 31, 2020

**3 CAPITAL WORK IN PROGRESS AS ON 31.03.2020**

SL.NO	DESCRIPTION	Opening Balance	Receipts	cwip -civil	Build Materials	Stores &Spares	TOTAL
1	Fencing at Mines -2	0.54	-	-	-	-	0.54
2	VEPALA MADARAM Limestone Prospecting License etc	1.19	-	-	-	-	1.19
3	Mines Over Head Line	0.14	-	-	-	-	0.14
4	11kv Line shifting work	1.84	-	-	-	-	1.84
	<b>SUB TOTAL</b>	<b>3.70</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3.70</b>
A	CWIP-Civil	3.70	0.00	0.00	0.00	0.00	3.70
B	Building Materials	0.89	0.00	0.00	0.00	0.00	0.89
C	Railway Siding	3.50	0.00	0.00	0.00	0.00	3.50
D	<b>CWIP as on 31.03.2020 (A+B+C)</b>	<b>8.09</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8.09</b>

**4 Other intangible assets**

Particulars	Computer Software	License Fees	Mining Assets (Lease Rights)	Total
<b>Gross Block</b>				
Cost / Deemed Cost				
At April 1, 2017	-	-	1,613.38	1,613.38
Additions	-	-	-	-
Deductions / Adjustments	-	-	-	-
<b>At March 31, 2018</b>	-	-	1,613.38	1,613.38
Additions	-	-	-	-
Deductions / Adjustments	-	-	-	-
<b>At March 31, 2019</b>	-	-	1,613.38	1,613.38
<b>Accumulated Depreciation</b>				
At April 1, 2017	-	-	146.67	146.67
Amortisation Expense	-	-	146.67	146.67
Deductions / Adjustments	-	-	-	-
<b>At March 31, 2018</b>	-	-	293.34	293.34
Amortisation Expense	-	-	146.67	146.67
Deductions / Adjustments	-	-	-	-
<b>At March 31, 2019</b>	-	-	440.01	440.01
Amortisation Expense	-	-	-	-
Deductions / Adjustments	-	-	-	-
<b>At March 31, 2020</b>	-	-	440.01	440.01
<b>Net Block March 31, 2020</b>			1173.37	1173.37
<b>Net Block March 31, 2019</b>			1,173.37	1,173.37

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*Handwritten signature*  


**Bheema Cements Limited**  
**Significant accounting policies and notes to the accounts**  
**For the year ended March 31, 2020**

**5 Inventories**

**Amt (Rs. in Lakhs)**

Particulars	As at March 31'2020	As at March 31'2019
Raw Materials	-	163.93
Work In Process	-	3.75
Finished Goods	-	15.71
Stores Spares and Consumables	-	230.29
<b>Total</b>	<b>-</b>	<b>413.68</b>

\* Refer 25(4)(iii) in the Notes to Financial Statements

**6 Trade Receivables**

Particulars	As at March 31'2020	As at March 31'2019
<i>(Unsecured)</i>		
Considered good	-	371.36
Considered doubtful	-	2,325.16
Less: Allowance for doubtful debts	-	(2,325.16)
<b>Total</b>	<b>-</b>	<b>371.36</b>

\* Refer 25(4)(iii) in the Notes to Financial Statements

**7 Cash and Cash Equivalents**

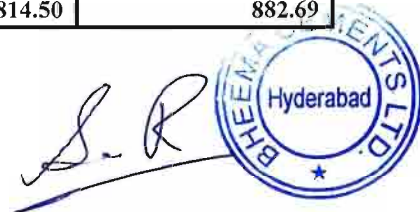
Particulars	As at March 31'2020	As at March 31'2019
Cash on hand	0.11	0.53
Balances with banks in current accounts	139.53	13.05
Balances with banks held as fixed deposits *	1000.72	10.72
Other bank balances		11.61
<b>Cash and cash equivalents</b>	<b>1140.36</b>	<b>35.91</b>
<b>Cash and cash equivalents</b>	<b>1140.36</b>	<b>35.91</b>

\*Includes performance Security Deposit Rs. 10 Crore  
(Refer 25(4)(vi) in the Notes to Financial Statements)

**8 Other Current Assets**

Particulars	As at March 31'2020	As at March 31'2019
Deposits	406.18	406.18
Earnest Money Deposit	-	7.40
Balance with Central Exercise	408.32	408.32
Others		0.59
Advances:		
Advances to employees	-	-
Advances for materials	-	406.22
Advances for capital goods	-	24.54
Advances for others	-	295.54
Less: Provision for doubtful advances	-	(666.10)
Net Advances (considered good and recoverable)	-	60.20
<b>Total</b>	<b>814.50</b>	<b>882.69</b>

\* Refer 25(4)(iii) in the Notes to Financial Statements



Bheema Cements Limited  
 Significant accounting policies and notes to the accounts  
 For the year ended March 31, 2020

9 Equity share capital

Particulars	As at March 31'2020 (Amount in Rs.)	As at March 31'2019 (Rs. In Lakhs)
<b>Authorised</b>		
420,00,000 (March 31, 2018: 420,00,000 and April 1, 2017: 420,00,000) equity shares of Rs 10/- each	0.00	4200.00
36,00,000 (March 31, 2019: 36,00,000 and April 1, 2018: 36,00,000) Preference Shares of Rs 100/- each	0.00	3600.00
<b>Issued, subscribed and paid-up capital</b>		
<b>EQUITY SHARES</b>		
2 Equity Shares (Previous Year 283,07,970) of Rs.10/- each.	20.00	2,830.80
<b>PREFERENCE SHARES</b>		
<b>6% Cumulative Redeemable Preference Shares</b>		
Current year Nil (Previous Year 12,47,000) 6% Cumulative Redeemable Preference Shares of Rs.100/-each were allotted as fully paid-up against FITL as per CDR package which are now transferred in the name of JM Financial (ARC) after assignment by the respective banks	0.00	1,247.00
<b>0% Cumulative Redeemable Preference Shares</b>		
Current year Nil (Previous Year 14,92,559) 0% Cumulative Redeemable Preference Shares of Rs.100/- each were allotted as fully paid-up against FITL as per CDR Package which are now transferred in the name of JM Financial (ARC) after assignment by the respective banks	0.00	1,492.56
<b>TOTAL</b>	<b>20.00</b>	<b>5,570.36</b>

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31'2020		As at March 31'2019	
	No of Shares	Amount	No of Shares	Amount
<b>(i) EQUITY SHARES</b>				
Number of shares outstanding at the beginning of the period			2,83,07,970	28,30,79,700
Add: Shares issued	2,83,07,970	28,30,79,700	-	-
Add: Shares issued on preferential allotment	-	-	-	-
Add: Shares issued on exercise of employee stock options	-	-	-	-
Add: Bonus shares issued	-	-	-	-
Less: Transfer to Capital reserve	-2,83,07,968	-28,30,79,680	-	-
<b>Number of shares outstanding at the end of the period</b>	<b>2</b>	<b>20</b>	<b>2,83,07,970</b>	<b>28,30,79,700</b>
<b>(ii) 6% Cumulative Redeemable Preference Shares</b>				
Number of shares outstanding at the beginning of the period			12,47,000	12,47,00,000
Add: Shares issued	12,47,000	12,47,00,000	-	-
Add: Shares issued on preferential allotment	-	-	-	-
Add: Shares issued on exercise of employee stock options	-	-	-	-
Add: Bonus shares issued	-	-	-	-
Less: Transfer to Capital reserve	-12,47,000	-12,47,00,000	-	-
<b>Number of shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>12,47,000</b>	<b>12,47,00,000</b>
<b>(iii) 0% Cumulative Redeemable Preference Shares</b>				
Number of shares outstanding at the beginning of the period			14,92,559	14,92,55,900
Add: Shares issued	-	-	-	-
Add: Shares issued on preferential allotment	-	-	-	-
Add: Shares issued on exercise of employee stock options	-	-	-	-
Add: Bonus shares issued	-	-	-	-
Less: Transfer to Capital reserve	-14,92,559	-14,92,55,900	-	-
<b>Number of shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>14,92,559</b>	<b>14,92,55,900</b>

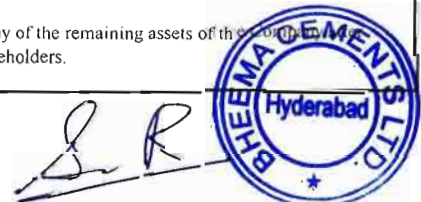
**1. Movements in equity share capital:**

The share capital i.e, 55,70,35,600/- of the Company shall be reduced to 2 Equity shares of Rs. 10 each ( i.e, 1 Equity share to the promoter group and 1 Equity share to public and individuals without any consideration payable to the existing shareholders adhering to the provisions of Companies Act and SEBI Act as mentioned in the Order dated 11.02.2020 by the Hon'ble NCLT, Hyderabad.

**2. Terms/rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

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





Details of shareholders holding more than 5% shares in the Company				
Particulars	As at March 31'2020		As at March 31'2019	
	No of shares	% Holding	No of shares	% Holding
<b>Name of the shareholder*</b>				
(i) Equity	-	-	-	-
Promoters	-	-	-	0.00%
public and individuals	-	-	-	0.00%
Vinsri Cement Industries Pvt Ltd	-	-	-	0.00%
S. Chandra Mohan	-	-	47,38,927	16.74%
SRB Ramesh Chandra	-	-	47,33,927	16.72%
S Kishore Chandra	-	-	47,33,927	16.72%
Venkat Vasudev	-	-	30,29,599	10.70%
JM Financial Asset Reconstruction Company Private Limited (JMFARC Pvt Ltd)	-	-	16,58,313	5.85%
(ii) 6% Cumulative Redeemable Preference Shares				
JMFARC - Axis Bank Ltd	-	-	3,81,744	30.62%
JMFARC - Karnataka Bank Ltd	-	-	3,27,147	26.23%
JMFARC - State Bank of Hyderabad	-	-	5,38,109	43.15%
(iii) 0% Cumulative Redeemable Preference Shares				
JMFARC - Axis Bank Ltd	-	-	4,38,890	31.50%
JMFARC - Karnataka Bank Ltd	-	-	3,36,277	24.14%
JMFARC - State Bank of Hyderabad	-	-	6,17,918	44.36%
<b>TOTAL</b>			<b>21534778</b>	<b>266.73%</b>

9.1. Share Application Money Pending allotment

Particulars	No. of Equity Shares A	Total Value of Shares
JMF Asset Reconstruction Company Limited	16,24,000	1,62,40,000
Corporation Bank	1,16,000	11,60,000
Fortuna Engi Tech and Structural (India) Private Limited	21,75,000	2,17,50,000
Mr. Tadimalla Raja Kishore	30,00,000	3,00,00,000
Mr. KandulaPrasanna SaiRaghuvveer	1,48,25,000	14,82,50,000
<b>Total</b>	<b>2,00,00,000</b>	<b>20,00,00,000</b>

\* Refer 25(4)(ii) in the Notes to Financial Statements

10 Other equity

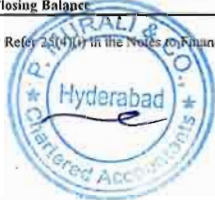
Particulars	As at March 31'2020	As at March 31'2019
a) Capital reserve Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	16,547.32	2529.49
b) Security premium Amounts received on (issue of shares) in excess of the par value has been classified as securities premium.	0.00	1425.34
c) General reserve This represents appropriation of profit by the Company.	0.00	246.53
d) Retained earnings (Profit & Loss Account) Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.	-1,076.22	-21262.75
e) Share option outstanding account The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees in case of forfeiture corresponding balance is transferred to general reserve.	0.00	0.00
g) Mineral Capitalization Reserve**		4919.12
h) Central Subsidy	0.00	15.00
i) Housing Subsidy	0.00	10.75
j) Other Equity	0.00	0.00
k) Capital Redemption Reserve	0.00	0.00
<b>Total</b>	<b>15,471.10</b>	<b>-12116.52</b>

\* Refer 25(4)(i) in the Notes to Financial Statements

NOTE:

**Mineral Capitalization Reserve : RECONCILIATION	As at March 31'2020	As at March 31'2019
Opening Balance	4919.12	5647.45
Add: Capitalization during the period	0.00	0.00
Less: Transferred to Capital Reserve	4919.12	728.33
<b>Closing Balance</b>	<b>0.00</b>	<b>4919.12</b>

\* Refer 25(4)(i) in the Notes to Financial Statements



Note No.10

Retained earnings		
Particulars	AS AT 31-03-2020	AS AT 31-03-2019
<b>Profit and Loss Account</b>		
Opening Balance	-21,262.75	
Add: Current year c/f	-1,076.22	
Add: Net assets written off	23,112.96	
less: Trasfered to Capital Reserve	1,830.73	
Closing Balance	-1,076.22	0
<b>TOTAL RESERVES</b>	<b>-1,076.22</b>	<b>0</b>

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
<b>Capital Reserve</b>		
Opening Balance	2,529.49	
Add: Tranfered from share capital	5,570.36	
Add: Tranfered from security premium	1,425.34	
Add: Tranfered from General reserve	246.53	
Add: Tranfered from profit and loss account	1,830.73	
Add: Tranfered from mining reserve	4,919.12	
Add: Tranfered from central subsidy	15.00	
Add: Tranfered from housing subsidy	10.75	
Closing Balance	16,547.32	0
<b>TOTAL RESERVES</b>	<b>16,547.32</b>	<b>0</b>
<b>TOTAL RESERVES ( Other Equity)</b>	<b>15,471.10</b>	<b>0</b>

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**Note No. 10**

Particulars	Share application money pending allotment	Attachment A to Note 25(1)(V)(a) Reserves and Surplus (refer note 10)										Total				
		Capital reserve	General reserve	Securities premium	Share options outstanding account	Retained earnings	Mineral Capitalization Reserve	Central Housing Subsidy	Household Subsidy	Share capital	Debt Instruments through Other Comprehensive Income		Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income (Specify nature)	Effective portion of Cash Flow Hedges	Revaluation Surplus
Balance at the March 31, 2019	-	2,529.49	246.53	1,425.34	-	(21,262.75)	4,919.12	15.00	10.75	-	-	-	-	-	-	(12,116.52)
Changes in accounting policy or prior period errors																
Total Comprehensive Income for the period comprising of:																
(i) Profit for the period			(246.53)	(1,425.34)		(1,076.22)	(4,919.12)	(15.00)	(10.75)	(5,570.36)						(1,076.22)
Transfers during the year to Capital Reserve																(12,187.10)
Other Changes (Specified as under):																
Issue of equity shares																
(i) Profit for the period																
Compensation cost related to employee share based payment																
Share Capital & Reserves Written off (transferred from Reserve)										5570.36						12,757.46
Net assets written off																23,093.48
Balance at the March 31, 2020	0.00	14,716.59	0.00	0.00	0.00	754.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,471.10



*[Handwritten Signature]*



**Bheema Cements Limited**  
**Significant accounting policies and notes to the accounts**  
**For the year ended March 31, 2020**

**11 Provisions**

Particulars	As at March 31'2020	As at March 31'2019
Leave Encashment	-	25.19
<b>Total</b>		<b>25.19</b>

\* Refer 25(4)(iv) in the Notes to Financial Statements

**12 Deferred Tax Liabilities**

Particulars	As at March 31'2020	As at March 31'2019
Deferred tax liabilities	-	3257.92
<b>Total</b>	-	<b>3,257.92</b>

\* Refer 25(4)(iv) & 25(9) in the Notes to Financial Statements

**13 Other Non-Current Liabilities**

Particulars	As at March 31'2020	As at March 31'2019
Unsecured Loans from Promoters & Associates	-	674.83
Security Deposits from Dealers, Contractors & Others	-	2,183.42
Miscellaneous Other Non Current Liabilities	-	451.80
<b>Total</b>	-	<b>3,310.05</b>

\* Refer 25(4)(iv) in the Notes to Financial Statements





**Bheema Cements Limited**  
**Significant accounting policies and notes to the accounts**  
**For the year ended March 31, 2020**

**14 Borrowings**

Particulars	As at March 31'2020	As at March 31'2019
<i>(Short Term and Secured)</i>		
Loans Payable on Demand	-	-
JMFARC	16745.86	0.00
JMFARC - Axis Bank Limited	-	130.78
JMFARC - ICICI Bank	-	-
JMFARC - Karnataka Bank	-	1,297.17
JMFARC - Oriental Bank of Commerce	-	1,126.43
JMFARC - State Bank of Hyderabad	-	-
JMFARC - United Bank of India	-	-
<b>Sub Total</b>	<b>16745.86</b>	<b>2,554.38</b>
Corporation Bank	1184.14	2,026.72
<b>Sub Total</b>		<b>2,026.72</b>
<b>Grand Total</b>	<b>17930.00</b>	<b>4,581.10</b>

\* Refer 25(4) (iv) & 25(2)(ii) in the Notes to Financial Statements

**15 Trade Payables**

Particulars	As at March 31'2020	As at March 31'2019
Trade Payables for Materials	-	4,768.12
<b>Total</b>	<b>-</b>	<b>4,768.12</b>

\* Refer 25(4)(iv) in the Notes to Financial Statements

**16 Other financial liabilities**

Particulars	As at March 31'2020	As at March 31'2019
Current maturities of long-term debt*	-	16,176.99
<b>Total</b>	<b>-</b>	<b>16,176.99</b>

\* Refer 25(4)(iv) in the Notes to Financial Statements

**17 Other current liabilities**

Particulars	As at March 31'2020	As at March 31'2019
Unearned income	-	-
Statutory dues payable	-	-
Advances received from customers	-	-
Others** WORKMEN DUES	200.00	8,132.24
Advances from Subsidiary	-	-
Expenses payable	0.25	1,205.13
Employee dues payable	-	509.55
<b>Total other current liabilities</b>	<b>200.25</b>	<b>9,846.92</b>

\* Refer 25(2)(ii) & 25(4)(iv) in the Notes to Financial Statements

**18 Short Term Provisions**

Particulars	As at March 31'2020	As at March 31'2019
CIRP & RP COST	-	-
Workman Priority Dues	70.00	-
<b>Total Short Term Provisions</b>	<b>70.00</b>	<b>-</b>



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2 Property Plant & Equipment

Particulars	Land		Buildings - Factory		Plant and Machinery		Electrical Installations	Furniture and Fixtures	Laboratory Equipment	Vehicles	Mining Deposits	Total
	Freehold	Leasehold	Owned	On Finance Lease	Owned	On Finance Lease						
Gross Block												
Cost/Deemed Cost												
At March 31, 2018	475.30	-	2,257.35	-	27,595.62	-	2,106.50	94.68	58.67	56.45	5,490.71	38,135.28
Additions	-	-	-	-	-	-	7.75	-	-	-	-	7.75
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	475.30	-	2,257.35	-	27,595.62	-	2,106.50	102.43	58.67	56.45	5,490.71	38,143.03
Accumulated Depreciation												
At March 31, 2018	-	-	156.02	-	2,009.68	-	189.51	43.57	9.50	35.93	1,163.31	3,607.52
Depreciation Expense	-	-	78.01	-	1,198.71	-	94.76	23.98	4.75	18.61	581.66	2,000.48
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	-	-	234.03	-	3,208.39	-	284.27	67.55	14.25	54.54	1,744.97	5,608.00
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	0.00
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at march 2020			234.03		3208.39		284.27	67.55	14.25	54.54	1744.97	5,608.00
Net block March 31, 2020	475.30		2,023.32		24,387.23		1,822.23	34.88	44.42	1.91	3,745.74	32,535.03
Net block March 31, 2019	475.30		2,023.32		24,387.23		1,822.23	34.88	44.42	1.91	3,745.74	32,535.03

\* Refer 25(4)(v) in the Notes to Financial Statements



*[Handwritten Signature]*

**Bheema Cements Limited**  
**Significant accounting policies and notes to the accounts**  
**For the year ended March 31, 2020**

**19 Other Income**

**Amt (Rs. in Lakhs)**

Particulars	As at March 31'2020 March 31,2020	As at March 31'2020 March 31,2019
Interest received	17.75	0.45
<b>Total</b>	<b>17.75</b>	<b>0.45</b>

**20 Employee Benefit Expense**

Particulars	As at March 31'2020 March 31,2020	As at March 31'2020 March 31,2019
Salaries, Wages and Bonus	0.35	103.60
Contribution to Provident Fund	-	2.11
Contribution to ESI	-	1.91
Workmen & Staff Welfare Expenses	-	0.60
<b>Total</b>	<b>0.35</b>	<b>108.22</b>

**21 Finance Costs**

Particulars	As at March 31'2020 March 31,2020	As at March 31'2020 March 31,2019
Interest expense - CIRP		36.18
Interest expense - Excise Duty	-	18.43
<b>Total</b>	<b>0.00</b>	<b>54.61</b>

**22 Depreciation and Amortization Expense**

Particulars	As at March 31'2020 March 31,2020	As at March 31'2020 March 31,2019
On property, plant and equipment	-	2,000.48
On other intangible assets	-	146.67
Less: Transfer from Mining Revaluation Reserve	-	728.33
<b>Total</b>	<b>-</b>	<b>1,418.82</b>



## 23 Other expenses

Amt (Rs. in Lakhs)

Particulars	As at March 31'2020 March 31,2020	As at March 31'2020 March 31,2019
<b>Manufacturing Expenses</b>		
Power Consumed	41.20	55.03
Expenses Works	-	11.05
Repairs & Maintenance	4.71	0.77
Rent	-	6.67
Rates & Taxes	-	1.02
Insurance	-	0.01
Bank Charges	-	0.14
Miscellaneous Expenses	3.96	20.24
Legal Professional Charges	180.15	181.09
Electricity Charges	2.14	2.26
Security Charges	35.67	21.87
Travelling & Conveyance	12.45	27.79
Postage, Telegram & Internet other expenses	9.58 3.51	6.67
CIRP cost written off	800.00	-
<b>Auditors Remuneration:</b>	-	-
Statutory Audit Fee	0.25	8.00
Other Fee	-	-
<b>Sales Expenses</b>	-	-
Advertisement	-	8.61
Sales Office Rents	-	1.74
<b>Total</b>	<b>1093.62</b>	<b>352.96</b>





**Bheema Cements Limited**

**Significant accounting policies and notes to the accounts**

**For the year ended March 31, 2020**

**Note No.24 EARNINGS PER SHARE**

The computation of Earnings per Share is set out below:

S.No.	Particulars	2019-20	2018-19
	Earnings (Amount in Rupees Lacs)	-1076.22	-1934.16
	<b>Weighted average number of equity shares</b>		
	Outstanding No.'s shares during the year	2	28307970
	<b>Weighted average number of equity shares</b>		
	Outstanding No.'s shares during the year - Diluted	2	28307970
	<b>Earnings per share</b>		
	Basic (face value of Rs.10/-) ( Rs. In lakhs)	-538.11	-6.83
	Diluted ( Face value of Rs.10/-) ( Rs. In lakhs)	-538.11	-6.83



**NOTE NO "25":**

**NOTES TO ACCOUNTS**

**1. GOING CONCERN**

- **(i).** Company had a prolonged inability to meet its debt servicing and repayment commitments to its lenders comprising of consortium of bankers, including failure to honor the terms of restructuring package approved by the CDR LOA.
- **(ii).** Company's operations were suspended/shutdown since March, 2014 due to lack of adequate finances, default in repayments and mounting financial and operational debt obligations.
- **(iii).** In 2015, the lender's consortium (except Corporation Bank) had formally assigned their rights of claims recovery to ARC M/s.JM Financial Asset Reconstruction Company Limited.
- **(iv).** Company could not succeed in raising funds required for continuation of operations ever since assignment of Debts to ARC.
- **(v).** Company's net worth has totally eroded consequent to continuing losses on account of suspension of operations from 2014.
- **(vi).** Recovery proceedings were thereafter initiated under SARFAESI by ARC and filing of recovery suit in DRT by Corporation Bank.
- **(vii).** Corporate Insolvency Resolution Process got Initiated on the Company vide an order of the Hon'ble National Company Law Tribunal, Hyderabad ("NCLT") dated 09/07/2018 under the Provisions of the Insolvency and Bankruptcy Code, 2016 ("Code"), pursuant to which, the powers of the Board of Directors got suspended and management of the company's affairs got vested with the Resolution Professional Mr. Gonugunta Madhusudhan Rao (IP Registration No. IBBI/IPA-001/IP-P00181/2017-18/10360), and duly confirmed by Committee of Creditors, effective 6th August 2018.
- **(viii).** In accordance with The Insolvency and Bankruptcy Code (Amendment) Act No. 26 of 2019 Dated 5<sup>th</sup> August'2019, the time period for completion of CIRP stands extended with the introduction/insertion of new Proviso No.2 (from existing 270 days to 330 days) and new Proviso No.3 (in case of all pending CIRPs by further 90 days from date of notification of Amendment to the Act – 6<sup>th</sup> Aug'2019) to Sub Section 3 of Section 12 of the Principle Act.
- **(ix).** The Management (Rep by Resolution Professional) has received / collected and evaluating admission (to the extent of their current eligibility) of all such claims submitted by the Creditors (Operational and Financial), employees and workmen of the company. In view of the extension of time period permitted by Hon'ble NCLT Hyderabad vide their Order Dated 26.08.2019 to the Company for conclusion of CIRP by further 90 days from date of notification of the amended provisions (being 16.08.2019) viz. until 13.11.2019.

(X). The Resolution professional has invited the interested buyers for the purpose of sale of company and The Consortium of Fortuna Engi Tech and Structural (India) Private Limited, T Raja Kishore, Prasanna Sai Raghuvver Kandula, Promoter of Fortuna and Murgud Vincom Private Limited deposited EMD amount of Rs. 2 Crores in the form of Cheques on 04th October, 2019.

- (XI). In the Committee of creditors meeting held on 30th October, 2019, the COC members reviewed and approved the Resolution plan submitted by Consortium of Fortuna Engi Tech and Structural (India) Private Limited, Mr. T Raja Kishore, Mr. Prasanna Sai RaghuvverKandula, Promoters of Fortuna and Murgud Vincom Private Limited (Consortium of Fortuna /"Resolution Applicant). As a sequel to above, the, Resolution plan submitted by Consortium of Fortuna /Resolution Applicant which is approved by members of COC having 99.53% voting share stands approved by the Hon'ble NCLT, Hyderabad as per Section 31 (1) of the IBC Code.

In these circumstances the Accounts / Financial Statements of the Company have been continued to be prepared on Going Concern Basis.

2. **As per the approved Resolution plan, the company has to adhere and follow the following principles and directions in the Order dated 11.02.2020 by the Hon'ble NCLT, Hyderabad Bench to settle the claims against the company during the process of corporate debt recovery under corporate Insolvency Resolution Process.**

The Final order and terms of the Resolution Plan approved by the Hon'ble NCLT, Hyderabad is reproduced below ( Para 22 Page 27 of the order)

- "The Resolution plan submitted by Consortium of Fortuna Engi Tech and Structural (India) Private Limited, T Raja Kishore, Prasanna Sai Raghuvver Kandula, Promoters of Fortuna and Murgud Vincom Private Limited (Consortium of Fortuna /"Resolution Applicant') which is approved by members of CoC having 99.53% voting share stands approved as per Section 31 (1) of the Code. In other words we are satisfied with the Resolution Plan as approved by Committee of Creditors under Section 30 (4) of the Code and it meets the requirement as referred to in Section 30(2) of IBC, 2016. Accordingly, the Resolution Plan stands approved and the same is binding on Corporate Debtor, its employees, Members, Creditors including the Central any State Government or Local Authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, Guarantors and stakeholders involved in the Resolution Plan in terms of Section 31(1) of the Code.
- (i) The Details of Resolution Plan Consideration is as under ( para 3(i) page 11 of the order)

The details of admitted claims during the insolvency resolution process by the various parties are given below.

S.No	Particulars of Consideration	Rs. In Crores
1	Cash/Bank Payment (Principle)	190.00
2	Proposed Interest	19.62
3	Shares to the secured financial creditors	2.61
	Total Resolution Plan Consideration	212.23

S.No	Description of the payment	Admitted amount in Rs.
1	CLAIMS FROM SECURED FINANCIAL CREDITORS	492,11,41,105
2	CLAIMS FROM UNSECURED FINANCIAL CREDITORS OTHER THAN PROMOTERS	3,89,32,985
3	CLAIMS FROM UNSECURED FINANCIAL CREDITORS - PROMOTORS	2,78,32,758
4	CLAIMS FROM OPERATIONAL CREDITORS EXCEPT WORKMAN AND EMPLOYEES.	85,47,95,817
5	CLAIMS FROM EMPLOYEES OTHER THAN PROMOTORS	3,90,88,742
6	CLAIMS FROM PROMOTORS (REMUNERATION)	4,70,51,168
7	CLAIMS FROM AUTHROSED REPRESENTATIVE OF WORKMEN AND EMPLOYEES	13,82,74,524
8	CLAIMS FROM OTHER THAN OPERATIONAL CREDITORS AND FINANCIAL CREDITORS	63,71,14,797
	TOTAL PAYABLE	670,42,31,897

- (ii) The distribution of the proposed consideration of Rs.190 Crores approved by the COC Members is as under.

S.No	Description of the payment	Liquidation . Value U/s 53	Rs. in crores
1	INSOLVENCY RESOLUTION PROCESS COST	8.00	8.00
2	SECURED FINANCIAL CREDITORS (492.11 : 1.91)	Is as per point No.4	179.30
3	WORKER'S PRIORITY DUES IN PROPORTION TO THE SECURED FINANCIAL CREDITORS (492.11 : 1.91) Remaining workmen Dues will be consider as paid or not to be paid payable	0.70	0.70
4	CLAIMS FROM UN-SECURED FINANCIAL	NIL	



CREDITORS OTHER THAN PROMOTERS			
5	CLAIMS FROM OPERATIONAL CREDITORS EXCEPT WORKMEN AND EMPLOYEES	NIL	2.00
6	CLAIMS FROM EMPLOYEES OTHER THAN PROMOTORS	NIL	
7	CLAIMS FROM AUTHORISED REPRESENTATIVE OF WORKMEN AND EMPLOYEES .OTHER THAN WORKER'S PRIORITY DUES.	NIL	
8	GOVERNMENT DUES INCLUDING ELECTRICITY & MINING RENEWAL DUES	NIL	
9	CLAIMS FROM UN.SECURED FINANCIAL CREDITORS - PROMOTERS	NIL	NIL
10	SALARY CLAIMS FROM PROMOTERS	NIL	
	<b>TOTAL PAYABLE</b>		<b>190.00</b>

The payment schedule as under

Particular of payment	Due from effective date in months	Rs. in Crores
1 <sup>st</sup> Instalment	30 days	10.00
2 <sup>nd</sup> Instalment	3 months	20.00
3 <sup>rd</sup> Instalment	16 months	50.00
4 <sup>th</sup> Instalment	22 months	50.00
5 <sup>th</sup> Instalment	28 months	60.00
<b>Total</b>		<b>190.00</b>

- (iii) The share capital i.e, Rs. 55,70,35,600/- of the Company shall be reduced to 2 Equity shares of Rs. 10 each (i.e, 1 Equity share to the promoter group and 1 Equity share to public and individuals without any consideration payable to the existing shareholders adhering to the provisions of Companies Act and SEBI Act.
- (iv) As per the Resolution plan, the Resolution applicant will subscribe new 3 crore equity shares of the company of Rs. 30 Crore. The Secured financial creditor's part of the dues will be converted into equity to the extent of 8% of total first time subscribed Equity Share capital i.e the Resolution Applicant share of equity will be 92% and Secured financial Creditors equity share will 8% on initial subscription of the Equity capital only and face value of each equity share is Rs. 10/- . However at any time the Equity share capital of Secured financial Creditors should not exceed Rs.2.61 Crores i.e Equity shares of 26.1 lacs only.

**The Revised Equity structure would be as follows:**

S.No	Name of the Secured Financial Creditor	Share Capital not Exceeding Rs. Crores	No. of Shares not exceeding (No in Lacs)
1	Resolution Applicants	30.00	300.00
2	JMF Asset Reconstruction Company Limited	2.436	24.360
3	Corporation Bank	0.174	1.740
	TOTAL	32.610	326.100

3. As per the Resolution Plan dated 11.02.2020 of the Hon'ble NCLT, distribution of the consideration between the secured financial creditors proposed is as under:

S.No	Name of the secured financial creditor	Resolution Plan Consideration (Principle) in Rs.	Resolution Plan Consideration (Interest) in Rs.
1	JMF asset Reconstruction Company Limited	1,67,45,85,855	18,32,42,468
2	Corporation Bank	11,84,14,145	1,29,57,532
	Total	1,79,30,00,000	19,62,00,000

As per the page no.15 of the Resolution Plan dated 11.02.2020 of the Hon'ble NCLT, Hyderabad, no interest will be charged from the effective date, till the date of the commercial production date plus 3 months or 9 months whichever is earlier.

However interest @5% p.a will be payable from 10<sup>th</sup> month till 16<sup>th</sup> month and interest @6% p.a to be accumulated from 10<sup>th</sup> month till 16<sup>th</sup> month and paid in 28<sup>th</sup> month. Interest @11% p.a will be payable from 17<sup>th</sup> month to 28<sup>th</sup> month.

Hence, during the financial year 2019-20, the company has not provided the interest on loans due to JMF asset Reconstruction Company Limited and Corporation Bank.

4.

- (i) As per the Hon'ble NCLT order, the existing shares of the company shall stand extinguished and existing shareholders will become claimants from CIRP Proceedings since corporate debtor is sold as a going concern. Existing Equity share capital prior to corporate insolvency process, Securities Premium Reserves has been transferred to Capital Reserve an amount of Rs.69.95 Crores (Share Capital amount Rs. 55.70 crores and Securities Premium amount Rs. 14.25 Crores) in the current financial year 2019-2020. The existing General reserve, Mineral capitalization reserve, Central subsidy, Housing Subsidy has been transferred to Capital Reserve.

- (ii) During the financial year, the consortium of fortuna brought Rs. 20 Crores as share application money which were allotted on 18<sup>th</sup> June, 2020 and Rs.1.74 Crores share application money (In proportion to the share application money brought by the promoters) which were allotted on 18<sup>th</sup> June, 2020 to the secured financial creditors for consideration other than cash as per the resolution plan dated 11.02.2020. So, the infusion of New Capital to the tune of Rs. 20.00 Crores has been considered as share application money pending allotment as on 31<sup>st</sup> March, 2020 for the preparation of financial statement by the management of the Company.
- (iii) The company has written off Assets during the year to an amount of Rs. 8.53 Crores (Inclusive of Inventory, Trade receivables and other current assets to give effect to the order of the Hon'ble NCLT Order vide dated 11.02.2020.
- (iv) The company has written off Liabilities during the year to an amount of Rs. 237.66 Crores ( Inclusive of provisions, deferred tax liability, Other non current liabilities, borrowings trade payables, other current liabilities ) to give effect to the order of the Hon'ble NCLT Order vide dated 11.02.2020.
- (v) As there are no operations since 2014, the Property, plant and equipment were idle. The management has decided not to provide depreciation on Property, Plant and Equipment including Other Intangible Assets to give effect to the order of the Hon'ble NCLT Order vide dated 11.02.2020.
- (vi) As per the Resolution plan dated 11.02.2020, the management has deposited an amount of Rs. 10 Crores towards performance security as fixed deposit in HDFC Bank.

**5. Exemptions Sought by Resolution Plan and granted:** While approving the final resolution plan in the COC meeting, the resolution applicant strive to obtain the following exemptions.

- As per current Government Orders dated 8<sup>th</sup> January, 2019, Mining Lease (ML) I, ML II and ML III to be operationalized within 6 months from the date of the said orders. This period shall be extended to two years from the Effective Date.
- All licenses and consent to operate for mines, plant, etc. to be made available within 2 months from the Effective Date.
- Government to allot land for resettlement/ Rehabilitation of patta holders in ML III.
- Conversion of Prospecting License (PL) I (237 acres) to ML.
- The High Tension power connection to be made available within 15 days from the Effective Date.
- 100% SGST reimbursement for a period of 10years from the date of revival of commercial production.
- 100% stamp duty and taxes exemption transaction undertaken pursuant to approval Plan by NCLT.
- Supply of coal from Singareni coal mines at a rebate of Rs. 1000/- per tonne for 10 years.
- Electricity duty exemption for 10 years.
- Rebate in power tariff @ Rs. 3 /kwh for a period of 3years.
- Capital Subsidy - 20% of investment subject to maximum of INR 15 crores subsidies.

- The Resolution Plan and NCLT order resulting in charge in shareholding/control Corporate Debtor shall not trigger payment of any transfer charges.

6. **List of approvals/compliances sought in the Resolution Plan (Approved):** While approving the final resolution plan in the COC meeting, the resolution applicant strive to obtain the following approvals with in a minimum period of 6 months from the effective date.

- Approvals from Mining Department.
- Approvals from Environment Department.
- BIS Approvals
- Weights and measurement approval
- Factory license renewal
- Labour License renewal
- Permission and clearance from Electrical Inspector
- Obtaining HT power connection
- Other Statutory approvals/ Compliances.

## 7. SEGMENT REPORTING

In terms of the Ind AS 108 relating to “Segment Reporting”, the company operated only in Cement business segments during the year and operates only in one geographical segment. Considering the source and nature of risks and returns the business segment will be the primary segment for this purpose and there are no secondary segments. Consequently, in view of the management based on control purposes, there are no reportable secondary segments in terms of the AS and hence the requirements there-under are not applicable to the company for the year.

## 8. RELATED PARTY TRANSACTIONS

The Company has no related parties other than the key management personnel and relatives of such personnel in terms of applicable Accounting Standard, in respect of the related party disclosure.

### Related Party Disclosures

#### *I) RELATED PARTIES WHERE CONTROL EXISTS :*

Names of the parties	Description of relationship
NIL	NA

#### *II) KEY MANAGEMENT PERSONNEL*

Name of the Person	Designation
KANDULA PRASANNA SAI RAGHUVVEER	Director
KUCHAMPUDI SRINIVASA UPENDRASAKETH VARMA	Director



Tadimella Raja Kishore	Director
VARMAVENKATASATYA SURYANARAYANA RUDHRARAJU	CEO
UMA TADIMALLA	CFO
ANSHUL SINGHAI	Company Secretary

### III) RELATED PARTY TRANSACTIONS DURING THE YEAR

Rupees in Lacs

Nature of transactions	Name of Entity	31.03.2020	31.03.2019
Sale of Goods/ Services	NIL/NA	---	---
Rent paid for office building	NIL/NA	---	---
Loan to Related Parties	NIL/NA	---	---
Loan from Related Parties	NIL/NA	---	---

### IV) REMUNERATION OF KEY MANAGERIAL PERSONNEL:

Rupees in Lacs

Particulars of Remuneration	For the year ended	
	31.03.2020	31.03.2019
Short Term employee benefits	00.00	00.00
Share-based payment transactions	00.00	00.00
Total compensation paid to key management personnel	00.00	00.00

\* The above post employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

### MANAGERIAL REMUNERATION

Rupees in Lacs

Particulars	2019-20	2018-19
Chairman	NIL/NA	NIL/NA
Managing Director	NIL/NA	NIL/NA
Jt Managing Director	NIL/NA	NIL/NA
Ex-Managing Director	--	--
<b>Total</b>	<b>NIL/NA</b>	<b>NIL/NA</b>

The company during the current year has not provided for any remuneration to the Chairman, Managing Director, and Whole Time Director among the key management personnel. Accordingly, applicability of

provision of Sec 197(V) read with Schedule V of the Companies Act, 2013 (as existing and applicable at the time of appointment) stands not applicable for the current year.

In addition, the Company has provided Rs.NIL as Directors Sitting fee to all the Directors.

v) **OUTSTANDING BALANCES IN RELATED PARTIES ACCOUNTS:**

<i>Transaction Nature</i>	<i>Related Party</i>	<b>31.03.2020</b>	<b>31.03.2019</b>
Trade Receivable	NA	---	---
Equity Investment in Subsidiaries	NA	---	---
Loan to subsidiaries/ Other Related Parties (Specify)	NA	---	---
Loan from Subsidiaries Other Related Parties (Specify)	NA	---	---

**9. TAXATION**

**Deferred Tax**

The company has written off the differed tax Liability pertaining to earlier financial years to statement of profit & loss in the current year amounting to Rs. 32.57 Crores, Deferred Tax Liability included in the Balance Sheet Comprises the following:

<b>S.No.</b>	<b>Particulars</b>	<b>As at</b>	
		<b>31.03.2020</b>	<b>31.03.2019</b>
		<b>(Rs in Lacs)</b>	<b>(Rs in Lacs)</b>
<b>A</b>	<b>Deferred Tax Assets</b>		
	Unabsorbed allowances	0.00	0.00
	Provision for expenses	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
<b>B</b>	<b>Deferred Tax Liabilities</b>		
	Opening Balance	0.00	3257.92
	Fixed Assets	0.00	0.00
	Leave Encashment**	0.00	0.00
<b>C</b>	<b>Deferred Tax Liability (Net) (A-B)</b>	<b>0.00</b>	<b>3257.92</b>

#### 10. Employee Stock Option Plan (ESOPS)

The company has not instituted any employee stock option, either during the current financial year or the previous financial year.

Details of the grant/issue are given below

Particulars	Year Ended	Year Ended
	31-Mar-20	31-Mar-19
	No of option	No of option
Options outstanding at the beginning of the year	---	---
Granted during the year	---	---
Vested during the year	---	---
Exercised during the year	---	---
Lapsed during the year	---	---
Forfeited during the year	---	---
Options outstanding at the end of the year	---	---
Options vested and exercisable at the end of the year	---	---

#### 11. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

1. To Subsidiary Companies : Nil

Name of the company	Outstanding balance as at		Maximum amount outstanding during	
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Nil/NA				

2. To Firms/companies in which directors are interested : Nil

B. Investment by the loanee's (as detailed above) in the shares of Bheema Cement Limited: Nil / NA

## 12. EARNINGS PER SHARE:

The computation of Earnings per Share is set out below:

S.No.	Particulars	2019-20	2018-19
		(Rs. in Lacs)	(Rs. in Lacs)
(a)	Earnings (Amount in Rupees Lakhs)	-1076.22	-1934.16
(b)	<b>Weighted average number of equity shares</b>		
	Outstanding during the year	2	2,83,07,970
(c)	<b>Weighted average number of equity shares</b>		
	Outstanding during the year– Diluted	2	2,83,07,970
(d)	<b>Earnings per share</b>		
	Basic (Face value of Rs.10/-) (Rs. in Lakhs)	-538.11	(6.83)
	Diluted ( Face value of Rs.10/-) (Rs. in Lakhs)	-538.11	(6.83)

## 13. CENTRAL SUBSIDY

The Company has received a sum of Rs.15.00 Lacs from Government of India during factory establishment year for purpose of establishment of business in notified backward district, under approved scheme. The same has been transferred to capital reserve account under.

## 14. HOUSING SUBSIDY

The Company has received a sum of Rs.10.75 Lacs from Government of India during earlier years for the purpose of constructing 50 tenements for housing to its personnel in its Limestone Mines. The Company has entered into an agreement with Government of India for a period of 20 years. The same has been transferred to capital reserve account.

## 15. REALIZATION OF ASSETS

The Management of the company is of the opinion that all the Property Plant & Equipment show in the financial statement have a value on realization in the ordinary course of business at least to the amount at which they are stated.

## 16. Information in respect of micro and small enterprises as at 31 march 2020 as required by Micro Small and Medium Enterprises Development Act,2006 :

There are no dues to trade payables as at year end

17. Raw Materials consumed during the year NIL (PY NIL)

18. Foreign Exchange transactions – During the year NIL (PY NIL)

19. Value of imported and indigenous Raw Materials Consumption and percentage of each in total consumption – During the Year NIL (PY NIL)

## 20. Financial Risk Management-

### Risk Management Framework

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and investment of excess liquidity.

The Company has exposure to the following risks arising from the financial instruments

Market Risk                      Liquidity Risk                      Credit Risk

### Note on Foreign Currency Risk

The Company has no export revenue / import costs (either during the current financial year or the previous financial year) and accordingly, is not exposed to foreign currency rate risk through operating activities or from financial instruments.



**a. Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the set guidelines.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Board of Directors has established policies to manage liquidity risk and operate in line with such policies. Long term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

**c. Credit Risk**

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management

Credit quality of a customer is assessed based on the individual credit limits defined in accordance with the assessment and outstanding customer receivables are regularly monitored.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.

## **21. REVALUATION AND ACCOUNTING OF MINERAL DEPOSITS AND RIGHTS**

The management had revalued and accounted the value in respect of mineral deposits and mining rights, during the earlier financial year 2008, based on an estimate of the mineral quantities by M/s. C.C.Geo Engineering Consultants (P) Ltd. and of the realizable value by M/s. G.S.Sekhar, Chartered Accountants. According to the accounting policy adopted in this regard, the amount so revalued and included in the Fixed Assets is Rs.10,725.59 Lacs on account of Mineral Deposits and Rs.2,933.41 Lacs on account of Mining Rights totaling to Rs.13,659.00 Lacs.. The management has however not directly considered 2 available reports of BOE Consulting LLP (dated Aug'2018) and Empress (during commencement of CIRP) in view of sizable variations in mining reserves noticed (though the same have been considered by approved valuers appointed by RP under CIRP). Management shall consider to effect valuation changes in records as may be found necessary, upon finalization of valuations, currently under review process. Consequent to the above, the carrying value/balance in the account as on reporting date stands at Rs.4919.12 Lacs.

22. The amounts except the Share data and quantitative information have been rounded off to the nearest lakh rupees and fraction thereof up to two decimals.
23. The insolvency Resolution process cost is estimated to be Rs. 8 crores. However any excess/shortfall in the said amount shall be deducted/added to the amount of Rs. 2 crores payable to the other creditors under other current liabilities of the financial statement .
24. Previous year financial statement figures are not comparable with current year financial statement figures as the financial statement for current year are prepared as per the Hon'ble NCLT order dated 11-02-2020.

## **25. Other Miscellaneous Matters:**

- (i) The operation and affairs of the company was managed by the resolution professional during the period 01-04- 2019 to 11-02-2020 and were carried out with his knowledge and control.
- (ii) The company has not appointed Internal Auditors as required by Section 138 of the Companies Act, 2013.
- (iii) Composition of Board of directors is yet to be constituted with proper balance of executive and non-executive directors as required in compliance with the provisions of the Companies Act, 2013.

- (iv) There have been instances wherein Company has delayed timely submissions of documents and reports to stock exchange as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (v) Appointment of full time Company Secretary required under section 203 (and Rule 8 and Rule 8A of companies' appointments & remuneration of Managerial Personnel Rule 2014) of the companies act, 2013, is pending
- (vi) Establishment of adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines is pending as there are no operations in the Company since the past few years.
- (vii) Trading of shares stand suspended with BSE Limited due to non-compliances of certain clauses of the Listing Agreement with effect from 1st December, 2014.
- (viii) Financial statement figure are rounded off to nearest two decimal Rupees in lakhs.

Vide our report of even date

For P.Murali & Co.,  
Chartered Accountants  
Firm Registration Number – 007257S



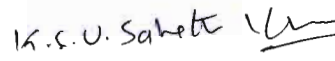
A.KRISHNA RAO  
Partner  
Membership No – 020085



For the Board of Directors of Bheema Cement Limited

  
Tadimella Raja kishore  
Director  
DIN: 02091671



  
Kuchampudi Srinivasa Upendra Saketh Varma  
Director  
DIN: 07087346

Place: Hyderabad  
Date: 25.02.2021