

HCIL:SECTL:SE:2022-23

17 August 2022

BSE Ltd.
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400001

National Stock Exchange of India Ltd
Listing Department,
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Scrip Code:500292

Trading Symbol: Heidelberg

Dear Sir,

Sub: Submission of Annual Report 2021-22

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report for the financial year 2021-22, inter alia containing the Notice of 63rd Annual General Meeting to be held on 08 September 2022.

You are requested to take the same on record and post it on the website of stock exchange.

Thanking you,

Yours faithfully,
For HeidelbergCement India Ltd.

Rajesh Relan
Legal Head & Company Secretary

Encl.: a.a.



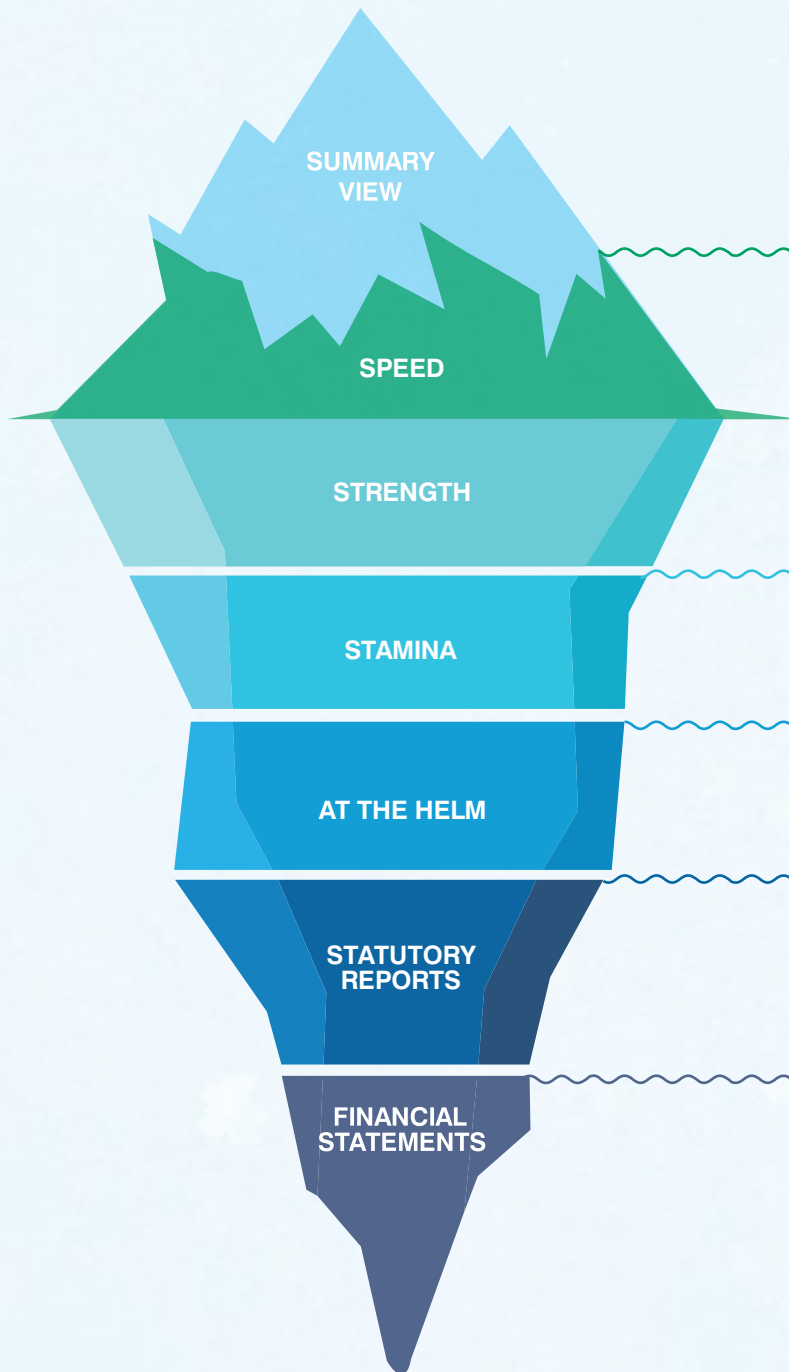
HEIDELBERGCEMENT



BUILDING RESILIENCE

HEIDELBERGCEMENT INDIA LTD.

ANNUAL REPORT 2021-22

	<p>Foreword 02</p> <p>Highlights 04</p> <p>Profile - HeidelbergCement 08</p>
	<p>HCIL in motion and thinking beyond 11</p>
	<p>What drives HCIL? 15</p>
	<p>Stamina that ensures Sustainable Progress 20</p>
	<p>MD's Message 36</p> <p>Board of Directors 38</p> <p>Messages from the Management 41</p>
	<p>Board's Report 45</p> <p>Management Discussion and Analysis 64</p> <p>Business Responsibility Report 69</p> <p>Report on Corporate Governance 78</p>
	<p>Independent Auditors' Report 95</p> <p>Balance Sheet 103</p> <p>Statement of Profit and Loss 104</p> <p>Statement of Change in Equity 105</p> <p>Cash Flow Statement 106</p> <p>Notes to Financial Statements 107</p> <p>Notice of AGM 145</p>



The ship as a metaphor for our organization as we navigate ensuring that resilience remains a key driving force for sustained results.

We have a clear vision of the 'destination'

We remain steadfast and dedicated to our larger goals, even if it calls for change of direction mid-course. We 'chart our course' to reach the distant shores safely and efficiently – in corporate terms, we have a clear vision and the resources to execute the same.

We stay flexible and resilient

Unpredictable obstacles like sudden squalls, inclement weather, tsunamis and ice floes may 'rock the ship,' so to speak, forcing ships to change course in order to minimize damages. But, the moment the storm blows over, the Captain and his crew get back to forging ahead towards their destination. We too know that planning can go haywire with sudden and unforeseeable shifts in the economic environment. In such cases, we get 'all hands on the deck' to navigate 'troubled waters' and rechart 'course correction.' Nevertheless, our ultimate destination remains unchanged. 'Headwinds' may delay us reaching our destination; however, reaching there has always remained a certainty.

We are privileged to have one of the best 'crew' on board

Similar to the crew on the ship, every member of our organization knows their responsibilities and what is expected of them and have always delivered under most demanding situations. Our 'crew' consists of people with relevant experience, knowledge and skills to deliver results be it marketing, sales, operations, procurement, human resources, finance and legal & compliance. Managements emphasis on speed has helped us steer through crises and emergencies to be able to remain on course.





We are organized into three distinct areas

A ship has three distinct areas: a bow, midship and stern; in other words, a front-end, a center and a back-end respectively. Like the bow of the ship breaking new water and leading it, our front-end - sales and marketing, leads our business. Like the stern propelling the ship forward, our - procurement, finance, human resource, secretarial and legal - deliver the much required thrust. Like the midship steering the ship, our production and logistics, provide the power to keep our ship moving forward.

The power of being together

Each of three distinct areas mentioned above are equally important. Each must perform its designated role well for us to be able to reach our chartered destination.

We remain in the state of readiness

Being a continuous process industry, our emphasis on preventive maintenance helps us deliver round the clock day after day. A close watch on our systems and processes enables us remain in the state of readiness.

We are driven by Speed, Strength and Stamina

Similar to the ship, our organization is driven by parameters that orient us to act with Speed using the intrinsic strengths to deliver momentum and the Stamina to sustain the growth trajectory.



HIGHLIGHTS

FY22 IN WORDS

Operational glimpses of the year gone by

FY 22 has been another year of sustained performance. The resilience of our business model helped us steer through the uncertain environment. Despite all odds, we stepped up our efforts to achieve our triple bottom line goals.

This year sales volume displayed an increase of 6.5%, from 4.49 million tonnes in FY 2020-21 to 4.78 million tonnes in FY 2021-22. This was achieved despite, the restrictions associated with the second wave of COVID-19 from April to June 2021, along with stiff competition which made demand erratic and dampened prices, especially in Central India - one of our key markets that has remained largely stable over time. With the general shortage of coal in the country and mining disruptions in Australia and South Africa, managing production operations was a challenge too.

To ride over the challenges beyond our control, we redoubled our efforts and refocused on cost management practices to keep costs under a tight rein. Robust risk management was key to softening the blows, so to speak, of unprecedented situations.

As always, we stood fully by our people and the society at large, committed to their wellbeing, come rain or shine.

Q1 FY 22

Community Support: In what could be termed 'the 2nd Covid Wave quarter,' the Company swung into action to support the community and vulnerable sections by

installing oxygen generating plants at government hospitals, providing oxygen cylinders, beds, sanitizers, masks, medicines and necessary medical equipment.

Nurturing Environment: Share of green power across all plants stood at around 23% and the Company continued to

produce 100% blended cement, lowering its carbon footprint.

Performance: In a difficult quarter, the Company demonstrated quite a lot of buoyancy and was able to prevent de-growth and manage a growth of 5%. The

Company continued to operate on negative net operating working capital.

Q2 FY 22

Community Support: As is the norm with the Company, community health was accorded top priority. An Oxygen

Generation Plant was dedicated to the society at Jhansi. Rural Health Centers were also upgraded at Damoh.

Nurturing Environment: It 'rained' ESG initiatives this quarter. Trial runs of AFR (Alternate Fuel & Raw Materials) project were started. Our Ammasandra plant was the outperformer with around 90% green power utilization. Our Jhansi plant too progressed well on the ESG track by

signing a long-term Solar Power Purchase for 22 Giga Watt Hours per annum. Overall share of green power rose to about 27% from around 23% in the preceding quarter. The Company harvested 5.68 billion liters of water against 1.3 billion liters of consumption, making it about 4.4 times Water Positive.

Performance: Cement capacity utilization increased slightly to 78% over the preceding quarter's 74%. This was

in line with the 15% volume growth in the trailing twelve months. FY21 dividend of ₹ 8 per share (80%) was distributed in this quarter.

Q3 FY 22

Community Support: The primary thrust of this quarter was on Education & Health. Ordinary classrooms were converted into Smart Classrooms at Damoh and

Educational Kits were distributed at Ammasandra. Free rural health checkups, medicine distribution and blood donation camps were organized in Jhansi.

Nurturing Environment: 5.5 MW Solar Power Project at Patheria Mines reached final stage of commissioning. Jhansi

Plant achieved 2.2° C lower ambient temperature within a radius of 1 km from the plant as against a target of 2° C.

Sales Promotion: A targeted media strategy largely revolving around the Digital space, saw commendable Impressions of 3.7 Million, Reach of 2.2 Million and Engagement of 1 Million viewers in social media. In line with the digital push, our website mycemco.com went through a

more user-friendly makeover. However, mainstream media was not ignored. Following a targeted approach for our mainstay markets, two TVCs were created for news channels of MP and UP.

AWARDS



Diamond Patheria Limestone Mines received 1st prize in Mining Category from Honourable Chief Minister of Madhya Pradesh, Shri Shivraj Singh Chouhan on World Environment Day Celebration.



CII National Energy Management Award for 6th consecutive year to Jhansi plant



HIGHLIGHTS

FY22 IN WORDS

Q4 FY 22

Nurturing Environment: AFR and 5.5 MW Solar Power projects were launched during this quarter. Green power got a further 'charge' with the start of Solar Power supply of

~22 GWH p.a. for Jhansi plant under a long-term Power Purchase Agreement.

Performance: The quarter witnessed around 7% volume growth in the trailing twelve months. A market recovery and better volumes compared to the previous quarter spurred a rise in Cement Capacity utilization to about 76%. Even though the Company's Cash Flow was always good, a debt

repayment of ₹ 1.2 billion left it with an even more tenable position. Riding on the strength of consistent cash flow from operations, the Board has recommended a Dividend of ₹ 9 per share, i.e. 90% for FY 22 compared to Dividend of ₹ 8 per share declared for FY 21.

AWARDS

AWARDS AND RECOGNITIONS



5 Star Award to our Patharia Mines for Sustainable Development



"Amrit Puraskar" Award by Indian Bureau of Mines for our Patharia Mines



4th ICC Social Impact Awards 2022 for Transformation in Rural Education

















Silver Category at CSR Times Award 2021 for Rural Development & Infrastructure for our "Integrated Community Asset Programme"



Global CSR Awards 2022 for Integrated Community Development Project

FINANCIAL HIGHLIGHTS

Particulars	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	
Sales Volumes (KT)	4,474	4,653	4,897	4,706	4,486	4,777	
Total Revenue (net of Excise) (Rs. million)	17,412	19,094	21,682	22,224	21,631	23,460	
EBITDA (Rs. million) (including Other income)	3,026	3,833	5,182	5,805	5,531	4,836	
EBITDA Margin (%)	17.4%	20.1%	23.9%	26.1%	25.6%	20.6%	
EBT (Rs. million)	1,136	2,077	3,416	3,981	3,912	3,351	
EBT Margin (%)	6.5%	10.9%	15.8%	17.9%	18.1%	14.3%	
PAT (Rs. million)	762.1	1,331.8	2,206.6	2,680.6	3,149.5	2,522.6	
PAT Margin (%)	4.4%	7.0%	10.2%	12.1%	14.6%	10.8%	
EPS (Rs./Share)	3.4	5.9	9.7	11.8	13.9	11.1	
Shareholders Fund (Rs. million)	9,670	10,464	11,712	13,146	14,939	15,652	
Long Term Borrowings (Rs. million)	6,846	6,192	5,168	4,051	1,745	1,566	
Short Term Borrowings (Rs. million)	-	-	-	-	1,200	336	
Debt Equity Ratio	0.71:1	0.59:1	0.44:1	0.31:1	0.20:1	0.12:1	
Cash and Cash Equivalents (Rs. million)	142	2,122	3,371	4,697	4,303	3,690	



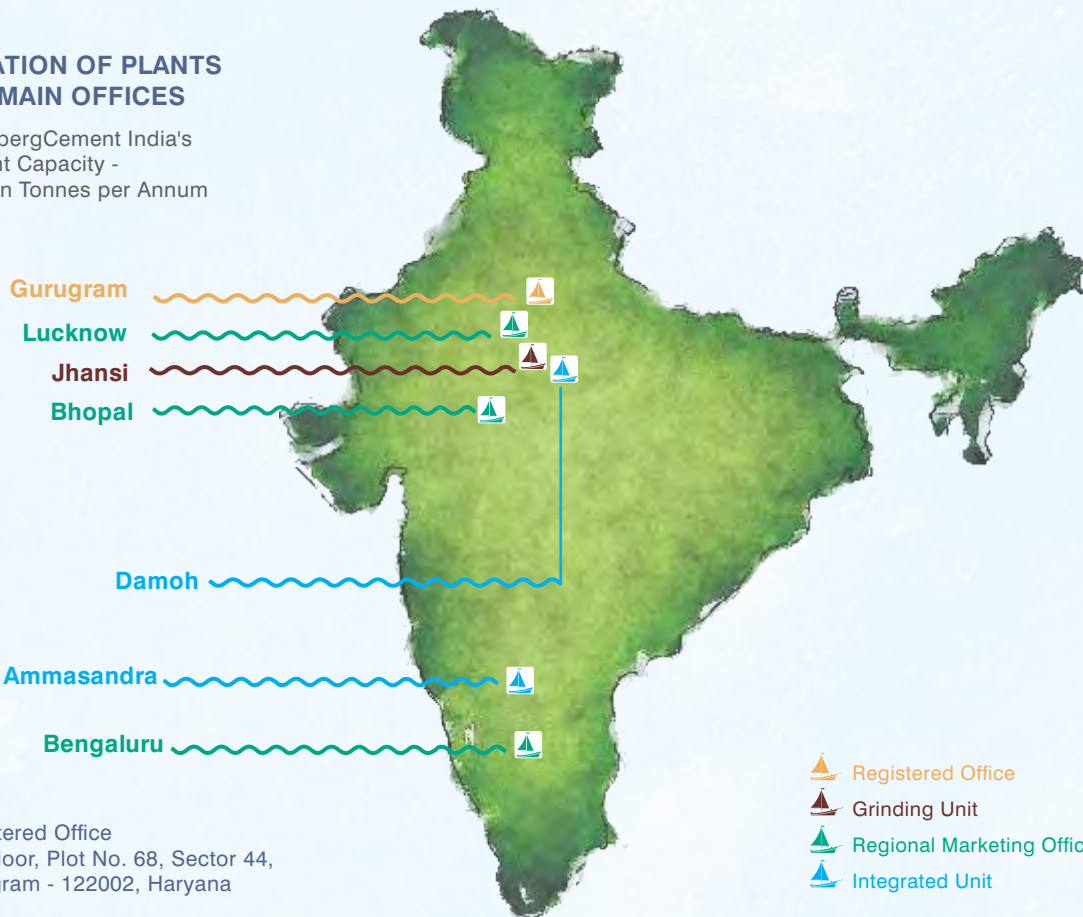
HeidelbergCement India Limited (HCIL) at a glance

HeidelbergCement Group made its foray into India in early 2006. The move was motivated by its pursuit for growth which emanated from the opportunities available in the growing markets of developing countries. As a part of its growth strategy, the Group acquired controlling stake in Mysore Cements Limited as well as Indorama Cement Limited Joint Venture, which in 2008 was converted into a complete acquisition.

After the merger of Indorama Cement with Mysore Cements, in 2009, Mysore Cements was renamed as HeidelbergCement India Ltd. Since then, there has been no looking back. In 2009, the Company undertook a brownfield capacity expansion in Central India to increase its cement manufacturing capacity from 2.1 million tonnes per annum (MTPA) to 5.4 MTPA. Debottlenecking activities in last quarter of FY20 increased the grinding capacity at Imlai and Jhansi plants by 0.5 MTPA and 0.55 MTPA respectively. The aggregate cement grinding capacity of the Company stood at 6.26 MTPA.

LOCATION OF PLANTS AND MAIN OFFICES

HeidelbergCement India's
Cement Capacity -
6.26 Mn Tonnes per Annum






Registered Office
2nd Floor, Plot No. 68, Sector 44,
Gurugram - 122002, Haryana

Chief Financial Officer
Mr. Anil Kumar Sharma

Legal Head & Company Secretary
Mr. Rajesh Relan

Statutory Auditors
S.N. Dhawan & Co. LLP.
Chartered Accountants

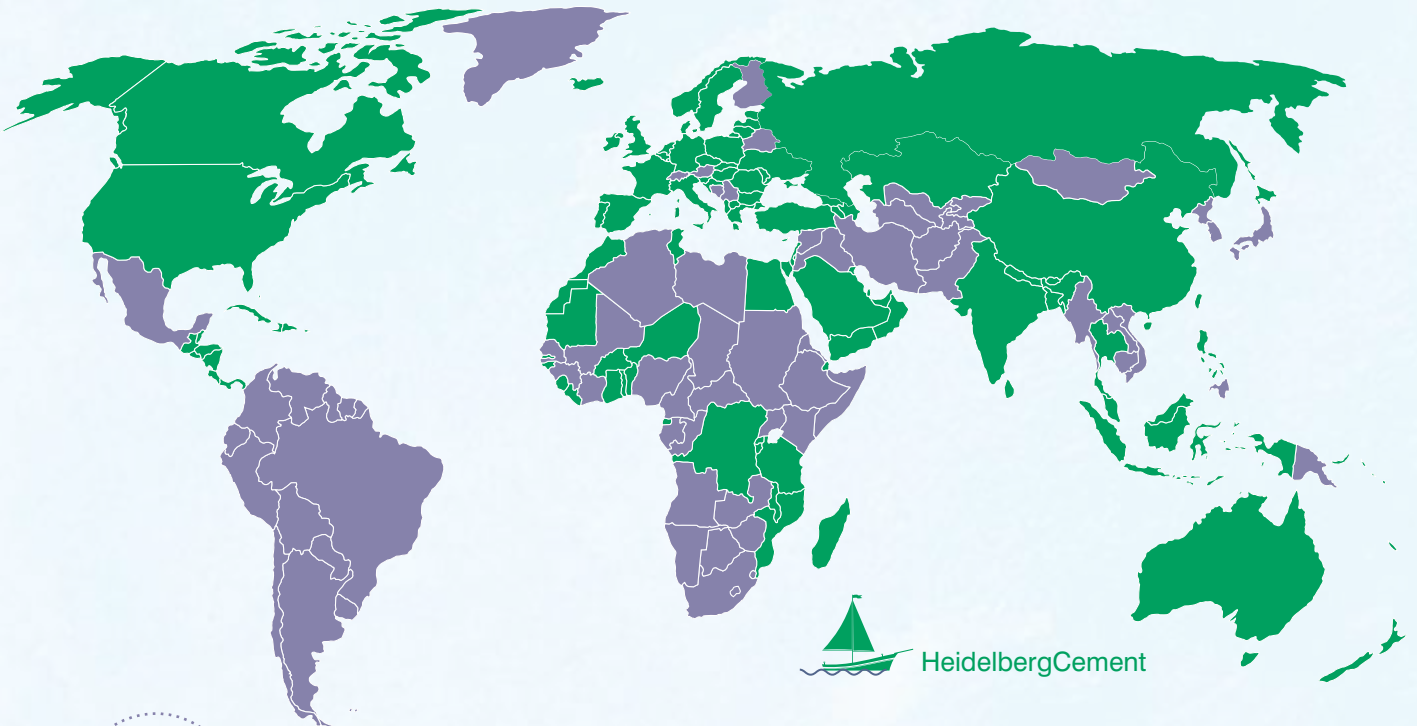
-  Registered Office
-  Grinding Unit
-  Regional Marketing Office
-  Integrated Unit

Registrars & Transfer Agents
Integrated Registry Management Services
Pvt. Ltd, 30, Ramana Residency,
4th Cross, Sampige Road, Malleswaram,
Bengaluru - 560 003



HeidelbergCement Group (HC Group): a glimpse

With a Group revenue of Euro18.7 billion in 2021, HC Group is one of the world's largest building materials companies. HC Group's core activities include the production and distribution of cement and aggregates, the two essential raw materials for the manufacture of concrete. The product range is substantially complemented by downstream ready-mixed concrete and asphalt activities. Furthermore, HC Group offers services such as worldwide trading in cement and coal by sea.



NO. 2

MARKET POSITION: AGGREGATES | CEMENT | READY_MIX CONCRETE



51,000
GROUP
EMPLOYEES



3,000
LOCATIONS

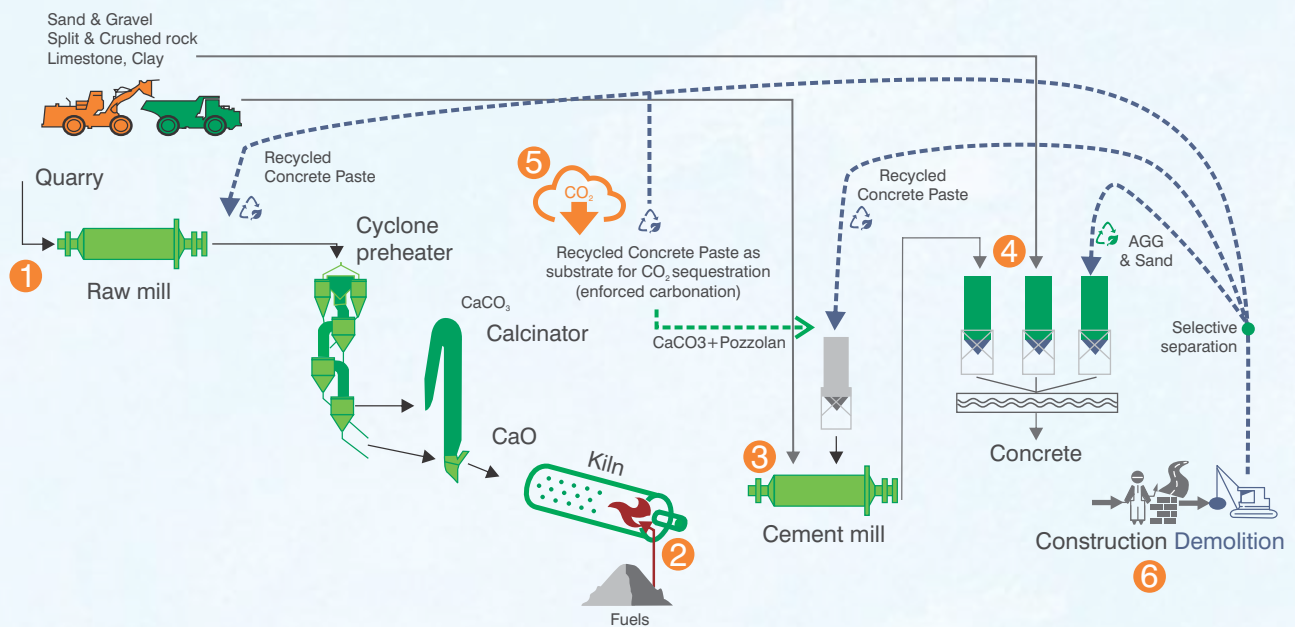


50
COUNTRIES

HCIL IN MOTION AND THINKING BEYOND

More than anywhere else, the Speed theme plays out in the throbbing heart of an entity - its Production, because it is here where we have to adjust the most and faster, to meet the rapid changes.

Diagrammatic Overview of present cement manufacturing process and the way forward



- ① Alternative raw materials for clinker prod.
- ② Alternative Fuels
- ③ Reduction of clinker content in cement
- ④ Use of alternative cementitious materials in concrete
- ⑤ Carbon Capture and Storage / Utilization
- ⑥ Sustainable construction (e.g. 3D printing)
- ♻️ Circular economy: recycling of concrete rubble

Other building blocks exist, e.g..
Carbonation hardening of concrete products

We firmly believe that 'excellence is as much a journey as it is a milestone'. This philosophy is manifested in adoption of Continuous Improvement (CI) as a way of life. Our talented workforce is on a constant pursuit to challenge status quo, drive innovation, and sow seeds of change, big or small, at various stages of production and across all parameters of performance.

We were already on track to implement some of the technologies and systems mentioned below; the difficult external conditions created by the pandemic compelled us to accelerate their adoption.



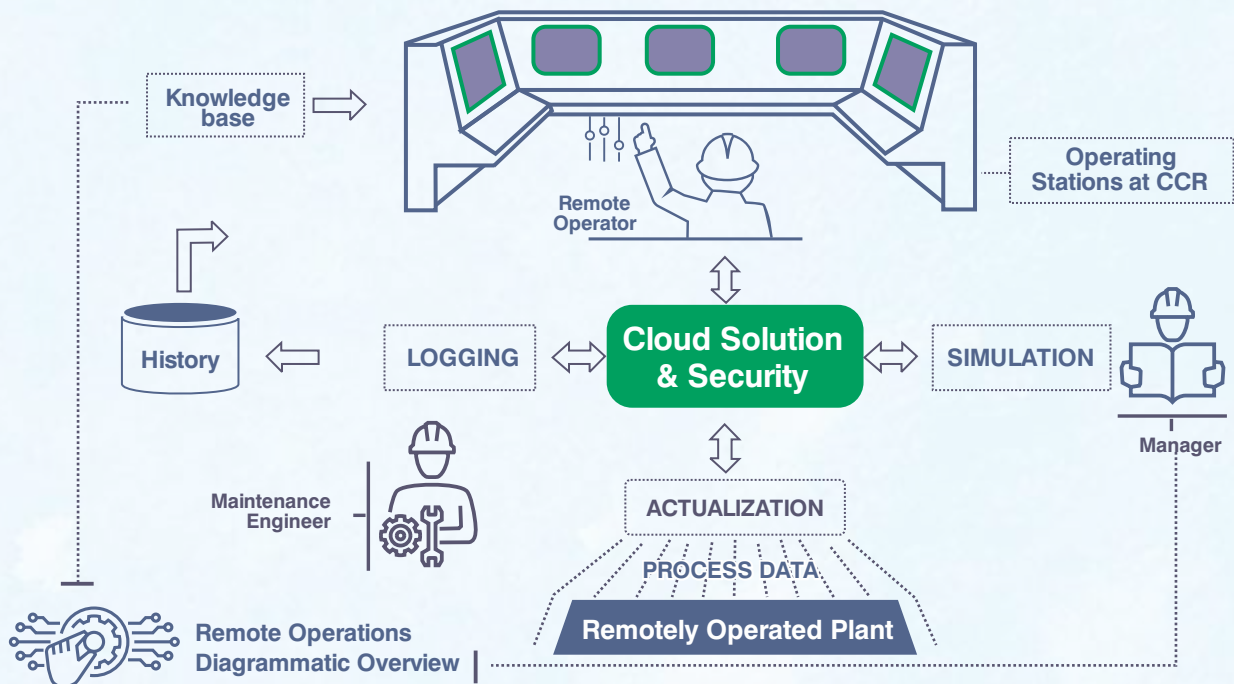
REMOTE PLANT OPERATIONS

Production always on



Our Grinding plant at Imlai is situated at a distance of about 14 Kms from our Clinkerization Plant at Narsingarh. The Imlai plant has 3 Cement grinding ball mills with a capacity of 2.5 MTPA. During Covid-19 pandemic, many operators were infected affecting plant's operations.

Our out-of-the-box solution was to introduce Remote Operations of Imlai unit from Narsingarh plant, which is fully equipped with CCR (Central Control Room) manned by remote operators. The key items of the system include Operating Stations at Narsingarh CCR, CCTV facility at Imlai plant, requisite hardware & software for remote access and system security along with commensurate network bandwidth.



Expert System

- An optimization tool, which is a self learning computer-based system for controlling, stabilizing, and optimizing cement manufacturing processes.
- The system operates the plant in autopilot mode and helps us make optimum operational decisions accurately and consistently.
- By coordinating setpoints or markers of different stages of process and immediately detecting operational deviations, Expert System helps the plant to over achieve stipulated targets and sustainability goals.
- It has been deployed at all the three Cement Mills of Imlai plant and being replicated in Jhansi.

PX TREND

- A standard deployment for MIS in the HeidelbergCement Group, Px Trend is a Process Data Acquisition and Information System (PDIS) that has been found to be reliable and user-friendly.
- Used currently only for keeping track of processes in real-time and process data archiving, the system utilizes data available with main PCN (Process Control System) server to generate different viewer-friendly data visualizations and reports like Dashboards, Longtime Trends, Graphic Boards, etc.
- Primarily a managerial and supervisory tool for 'keeping a sharp eye' on critical performance parameters in real time as well as historical reviews, the system aids analysis of historical/real time process data, production

values, environmental data, etc., thus facilitating faster troubleshooting, targeted interventions and process-wide optimizations.

- Other Notable features are:
 - All real time / archived data provided as trends, plots and calculated values;
 - Real time Display of data in a process mimic
 - Production targets & rates;
 - Quality targets;
 - Purchase re-order monitoring;
 - Maintenance: stops/starts, faults, condition monitoring (vibration, temperature);
 - Plant KPI assessments, scheduled reporting; automatic notifications (by text messages and e-mails).

DALOG SYSTEM

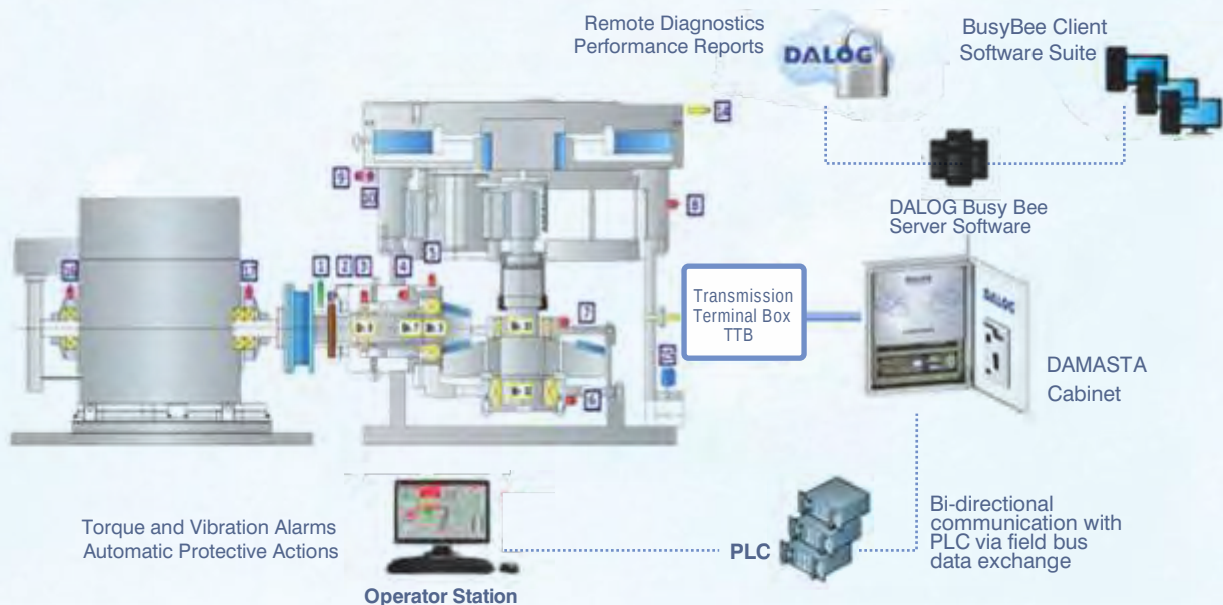
Gearboxes along with associated components are critical to smooth functioning. Major breakdowns may result from failures in Gear Boxes, Bearings, Load / Torque, Mill Grinding condition, metallic oil contamination, etc. Corrective actions are taken by monitoring critical parameters and predicting failures to minimize unplanned stoppages.

The Dalog System does just that. It keeps an eye on Gear Box health through online monitoring of long term trends, flagging critical parameters for corrective action, informing in advance about possible failures and root cause analysis

of operational and mechanical parameters in case of actual breakdowns.

Benefits of Dalog System:

- Easy Access of historic and online/real time data with pre-configured frequency.
- DALOG Report compiles Status & Performance Reports with condition indicators, analysis and recommendations.
- Alarms and indications are communicated to operators.



SIMPLEHELP

Simplehelp is a remote operation tool, which helps in monitoring and operation of plant from remote location through a secured network connection. Created on a thin client-server architecture, all one needs is a remote device

like a remote desktop installed with the Simplehelp software and secured credentials to log in and make operational interventions, as may be necessary.



WHAT DRIVES HCIL?

Operational Excellence, Focused Marketing strategy, Loyal Customers, Efficient Logistics, Digitalization, Cost consciousness and many more are key drivers at HCIL.

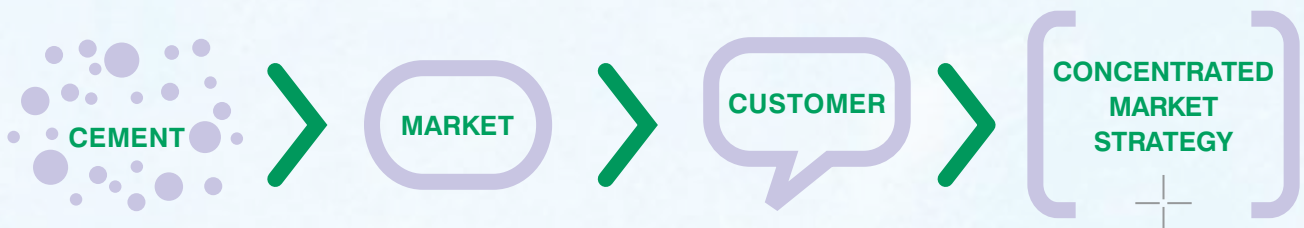
Financial Year 2021-22 (FY22) saw an uptick in Sales Volume to 4.78 MT (Million Tonnes) from the previous Financial Year 2020-21 (FY21) figure of 4.49 MT. Capacity Utilization also rose from 72% in FY21 to 76% in FY22 - this despite a capacity augmentation of 1.05 MTPA (Million Tonnes Per Annum) effective from FY21.

In view of mounting inflationary pressure on key raw materials, our organization is monitoring the situation closely to develop strategic ways to minimize the impact of increase in the price of raw materials through our synergies and cost efficiencies. The challenge was to curb costs and yet ensure uninterrupted supply of raw materials, spares and services. We resorted to measures such as renegotiation of existing contracts, bundling of contracts for additional discounts, expanding annual service contracts, etc. Steps like shortening of cash-conversion cycles also had a positive effect on cash-flow.

We will continue to make sustained efforts to drive demand for our brands. While we are applying our learnings from the last two years of the pandemic to enhance the efficiencies of our operations and build robust mechanisms to function with minimum disruption in such exceptional circumstances.

Customer Satisfaction

For HeidelbergCement, customer satisfaction means cementing relations with our Channel Partners and Customers by delivering high product quality, leveraging the power of innovation, enhancing proximity to our customers and unmatched customer support services. Placing customers at the centre of our business universe, we nurture an organisation-wide culture of customer-centricity through a slew of measures such as deploying a dedicated customer support services department, sensitising and training employees to better understand and address customers' needs. A series of customer meets throughout the year imparted knowledge on best construction practices and addressed the needs of our customers and influencers.



- High-bulk
- Low-value
- Freight-intensive

- 'Regional Play'
- Fragmented but some Consolidation underway
- **Limited Operating Radius:**
Home ~ 150 Km
Away ~ 400 Km
- Logistics Efficiency critical

- **Trade:** Brand & Visibility sensitive; Offers & Services rather than Discounts
- **Non-Trade:** Price & Company Reputation sensitive; Price & Time performance important

- Focus on Trade Segment, Branding & Building Trust
- Narrow, Cost-Effective Targeting
- Strong Customer Value Propositions
- Data-driven, next level Customer Relationships
- Use of Digital Marketing Platforms



BRANDS IN TUNE WITH MARKET STRATEGY

Given that branding plays an important role in our marketing strategy, we have invested time, effort and resources to make our brands become top of mind recall for our customers. Our flagship brands **mycem** and **mycempower**, along with their mascot, **Chutkoo**, are no longer alien to cement consumers, applicators, architects and engineers of Central India as they applaud its superior quality. A recently introduced brand in our home market, **mycemprimo**, too is on its way winning the hearts of our discerning customers.



Packaging as ‘out-of-box’ as the brand

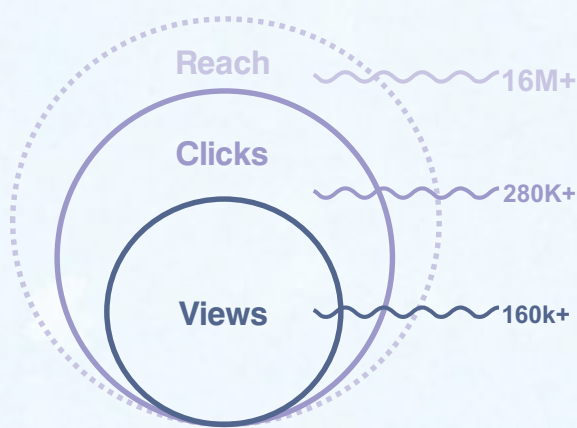
Ensuring delivery of our cement in the best possible manner keeping its quality intact, we focused on improving our packing. Our new brand, mycemprimo, too has been launched in the Box Bottom Bag.

DIGITAL MARKETING: ‘DOMAIN STRENGTH’

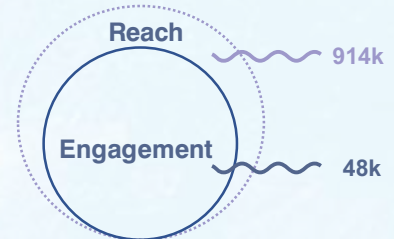
Availing the power of Social Media, our Digital Marketing has penetrated deep reaching the target cement consumers with precise accuracy. Digital platforms have helped us capture

data with greater granularity and provide insights that enabled us to sharpen our competitive edge. Using the data, we are moving to penetrate profitable markets

DIGITAL MARKETING OVERVIEW



SOCIAL MEDIA OVERVIEW*



Re-Marketing Overview



Reach - number of people reached through our posts

View - number of people who clicked and viewed our posts

Engagement - number of people who responded to our posts

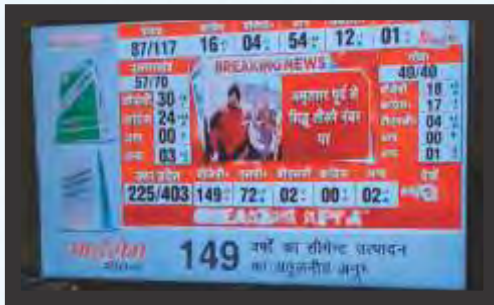
Campaigns were in the form of display advertising on website like News, Construction, Truecaller app, etc.

REVAMPED MYCEM WEBSITE LIVE ON 25 DECEMBER 2021

WEBSITE OVERVIEW

Total Visitors	101,273
Total No. of sessions	165,793
Average No. of pages visited during each session	1.5
Average Duration of each session	0:00:49

TV Advertising:



UP Election 2022



Budget Day 2022

Logistics 'on track'

Dispatches as % of Sales Volume

46%
Road



54%
Rail



% of Total Sales

80% Trade
Customers



20%
Non Trade
Customers



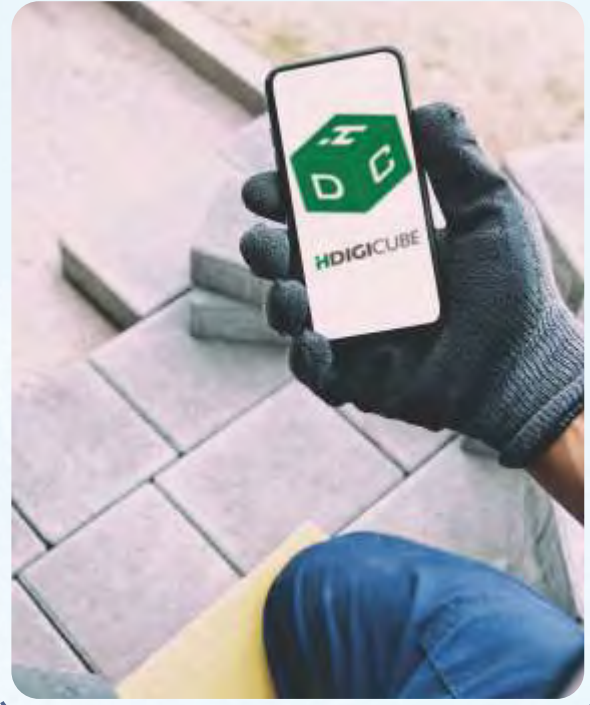
Our logistics division as always managed to strike a balance between Cost and Service. For shorter distances, roadways are considered and for longer distances beyond 300 Km, railways are considered as an economical modes of transport.



'NEXT-LEVEL' CUSTOMER SERVICES

Concrete Solution Lab

- Through MTL (Mobile Testing Lab), construction guidance and testing facilities are provided onsite by our customer service officers for more robust and long-lasting construction
- **Facilities:**
 - Concrete Cube Testing is done during casting of Roof Slabs, Column & Footing to ascertain the quality of concrete. Test Certificates of the Concrete Cube Testing are generated through our HDIGICUBE App in real time and communicated to customers and their Architects and Engineers.
 - Slump Testing to check the concrete's water retention ability and thus, its workability; Right amount of water in the concrete makes it stronger and more durable.
 - Silt Test to judge the amount of impurities (soil and silt) in the sand; The lesser the impurities, the sturdier the construction.
 - Sieve Analysis (or Gradation Test) tests the gradation (distribution of aggregate cement particles, by size, within a given sample) in order to determine compliance with prescribed design, production control requirements and verification norms.



Chutkoo Technical Lab

- An abridged version of our Mobile Concrete Solution Lab, it is essentially a test kit that could be carried as a backpack
- Meant for quick assessment of some external factors that affect concreting, the kit comes packed with the following:
 - Water pH Value Indicator & Litmus Paper - to check the amount of water acidity / alkalinity.
 - Water TDS Meter - to give an idea about water quality & purity, estimated through TDS (Total Dissolved Solids) in ppm (parts per million).
 - Spirit Level - to determine accurate vertical or horizontal alignment of built structures.
 - Construction Thermometer - to check for ideal concreting temperature.



Cover Block & Shuttering Tape

- These are part of our value-added services for our customers
- Use of the cover block is necessary to prevent rusting of steel, resulting in better construction.
- Use of shuttering tape is important as it prevents cement slurry leakage through space between the shuttering plates during concreting.



Customer Master Data: Automatic Customer Onboarding

- Fully automated process to onboard customers in SAP without any human intervention.
- Round the clock availability and faster Turnaround Time.
- Auto Scanning, Archiving and Validation of supporting documents.
- Interactive system for requests and error handling through email.
- Entire process handled by #MyRobby (Robot) with zero error.
- Project went live from 1st Oct'21; productivity of back-office people improved.

MyRobby also brings "Auto Release of Blocked orders":

- System runs to release all blocked order automatically as soon as payment or credit received in customer account.
- No more human intervention to release the order manually.
- No more manual follow ups to check payments, credit etc. for release of order.
- Round the clock availability of system improves logistic turnaround time and faster delivery of material to customers.

Above RPA projects have improved customer satisfaction and took away unnecessary pains of people involved in entire supply-chain management.



Automated Process



Manual Process



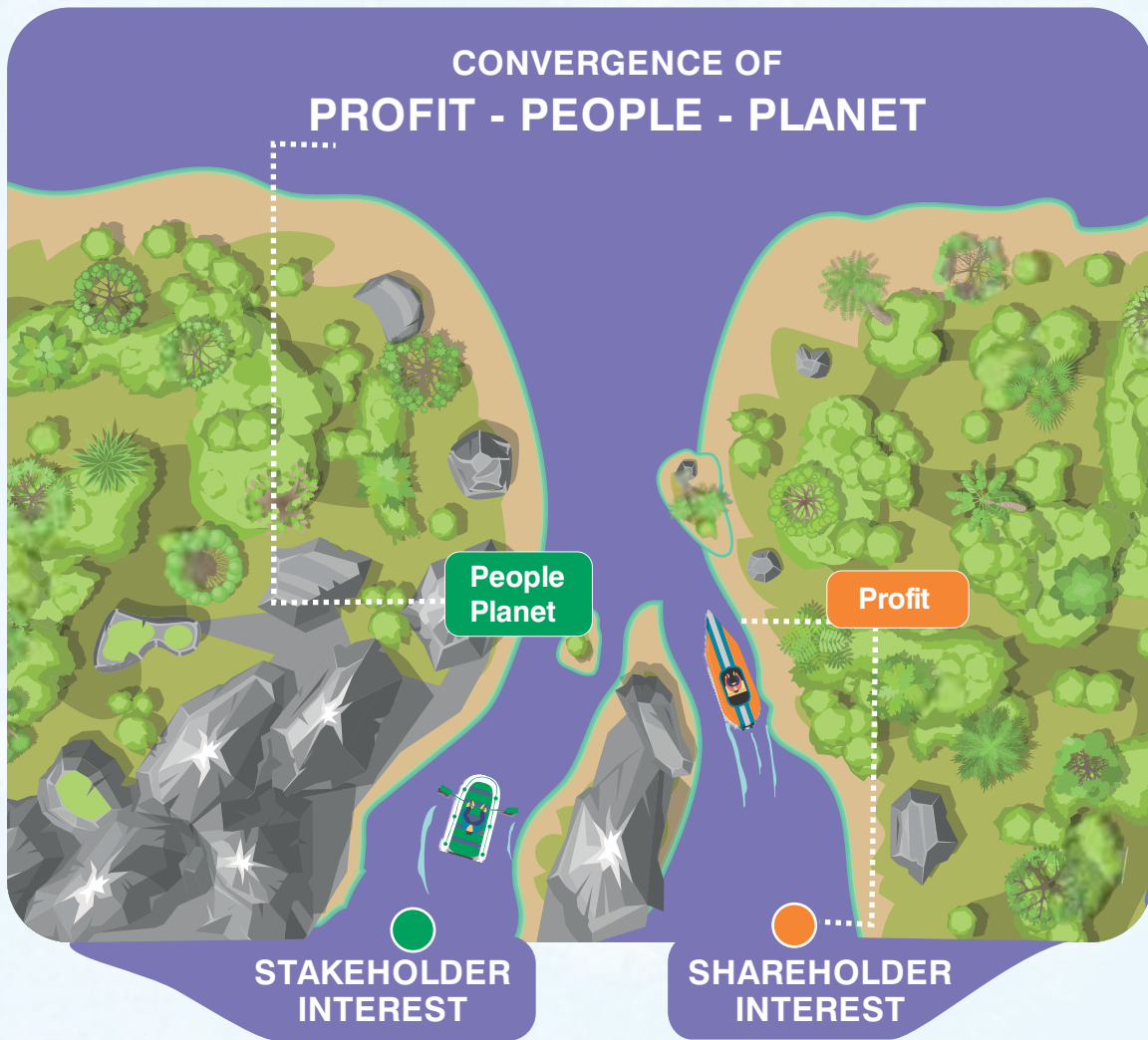
STAMINA - THAT ENSURES SUSTAINABLE PROGRESS

A thrust on Sustainability, People, Community, Environment, Governance that is not only inspirational, but impactful as well

The movement from short-term to long-term

'We are all in this together,' 'What goes around, comes around...well, these seem like home-grown wisdom nuggets for individuals. As a good corporate citizen Sustainability is a part of our core values. Optimizing short-term profits for Shareholders and at the same time taking lead to create long-term value for our Stakeholders and society at large continue in parallel.

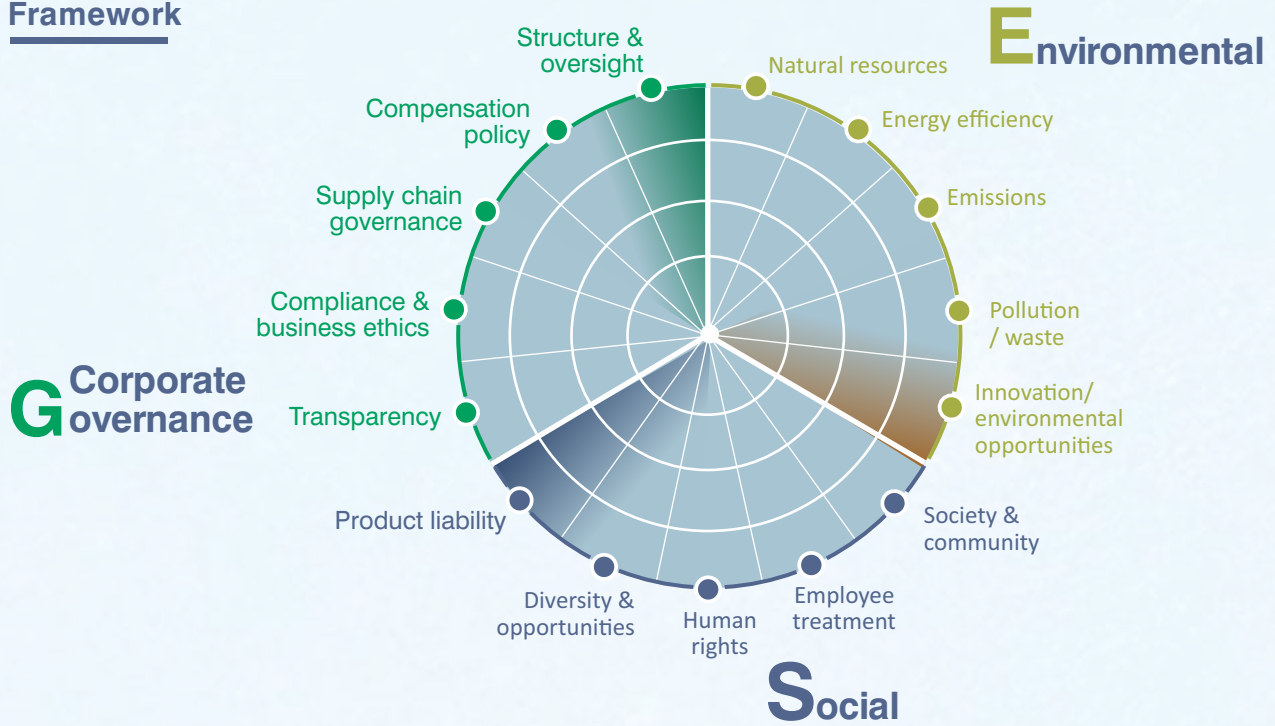
We believe Stakeholder and Shareholder interests do align in the long term and having delighted employees, supportive suppliers, satisfied regulators, and loyal customers create far more stable value in the long term.



ESG (Environmental, Social & Governance)

The glue that binds Planet, People & Profit

Holistic ESG Framework




ESG and Competitive Advantage

ESG is becoming a key ingredient to build competitive edge as we add value to the entire chain of stakeholders.




Increased Opportunities & Growth
Supports identification of new markets, customers, and products/services.



Organizational Resilience
Anticipates and adapts to technological, customer, and regulatory changes.



Reduced Risk
Mitigates risk to the enterprise



Workforce Productivity
Engages and empowers employees, increases retention and attracts best talent.



Reputation & Stakeholders Trust
Increased stakeholders trust = better corporate reputation.



Sustainability Initiatives at HeidelbergCement Group Level

CCS (Carbon Capture and Storage) project in Sweden takes next step

HeidelbergCement and its Swedish subsidiary Cemente has presented positive results of a pre-feasibility study for the Slite CCS project. The installation at the Slite cement plant on the Swedish island of Gotland will be scaled to capture up to 1.8 million tonnes of CO₂ annually, equaling 3% of the Sweden's total emissions. Slite CCS is the largest CCUS (Carbon Capture, Utilization and Storage) project so far for HeidelbergCement, and in the cement industry.

This is in line with HC Group's new sustainability targets, and it underlines the importance of CCS as one key lever to almost halve our CO₂ footprint by 2030 as compared to 1990, and achieve Net Zero by 2050 at the latest. The full-scale capturing of the plant's CO₂ emissions is targeted by 2030.

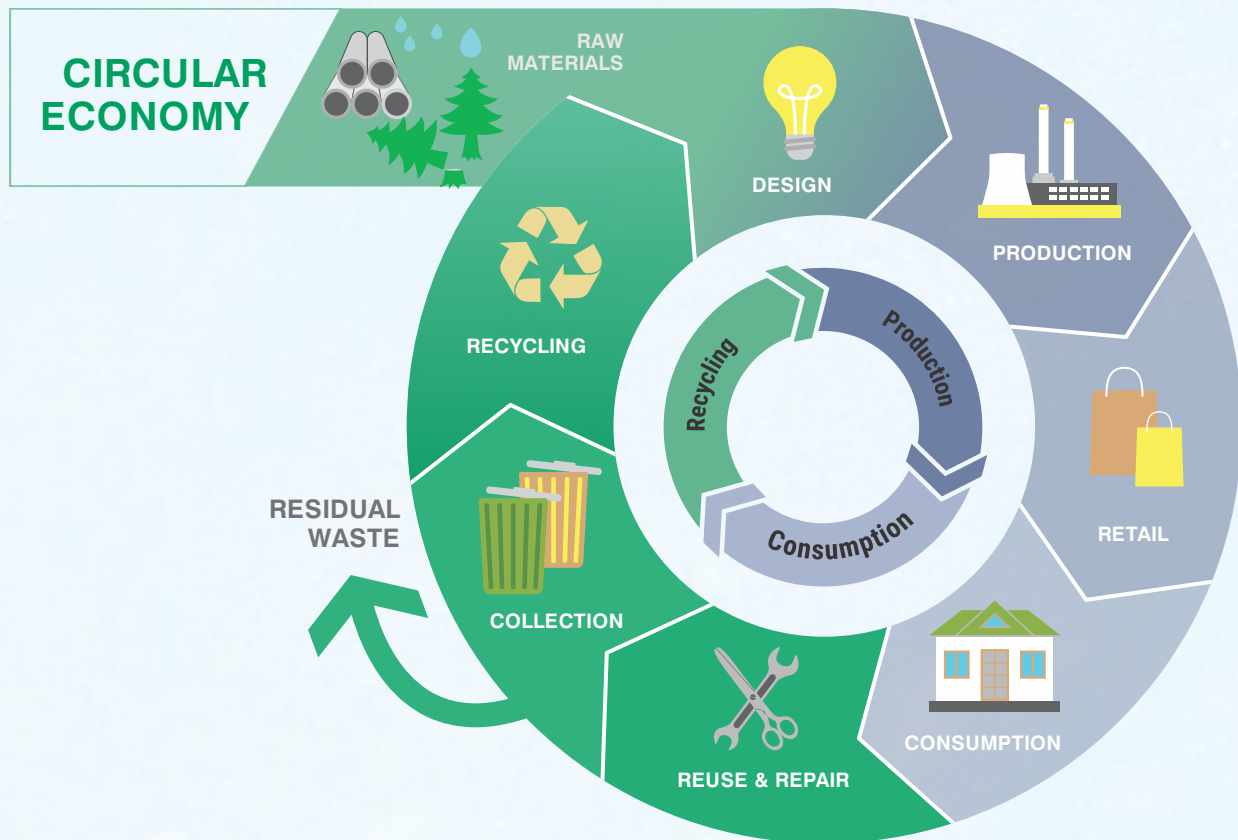


Part of “Circular City Heidelberg”

HeidelbergCement Group is a partner in the “Circular City - Building Material Registry for the City of Heidelberg” pilot project. “Circular City” aims to simplify the reuse of construction and demolition waste. Going forward, the aim is to separate demolished concrete into its components and return it to the construction cycle.

Full circular economy and sustainable construction are central elements of HC Group's climate strategy. In an effort

to significantly reduce carbon footprint, we are focusing on the life cycle assessment of concrete, including the processing of demolished concrete, and returning it to the construction cycle. By 2030, we want to offer circular alternatives for half of our concrete products. Together with the city of Heidelberg, we want to use the Circular City project to demonstrate the enormous potential of concrete recycling for future urban construction.



Sustainability at HeidelbergCement India Limited

We do not allow ourselves to forget that we are mere custodians of planet Earth with the obligation to deliver it to GenNext in a condition that does not deprive them of their rights to exist and flourish the way we have. Being aware of the impact our operations have on the surrounding environment, we remain committed to restoring reclaimed mined out land and use alternative materials, fuels, sources of power etc. which will go a long way in building resilience.

Clinker Factor



61.4%

CO₂ Footprint



511 Kg/T Cement

Water Positivity



4.4x

CSR



35,000+ Lives

Green Power



23%

Target to reach ≤ 500 Kgs/t Co2 emission by 2025



New Renewable Energy Projects More power to Green



Jhansi Plant - Solar Power supply started under long term Power Purchase agreement for c.22 Gigawatt hours per annum



Narsingarh plant through its Waste Heat Recovery Power Generation Plant has been consistently operating with c.40% green power

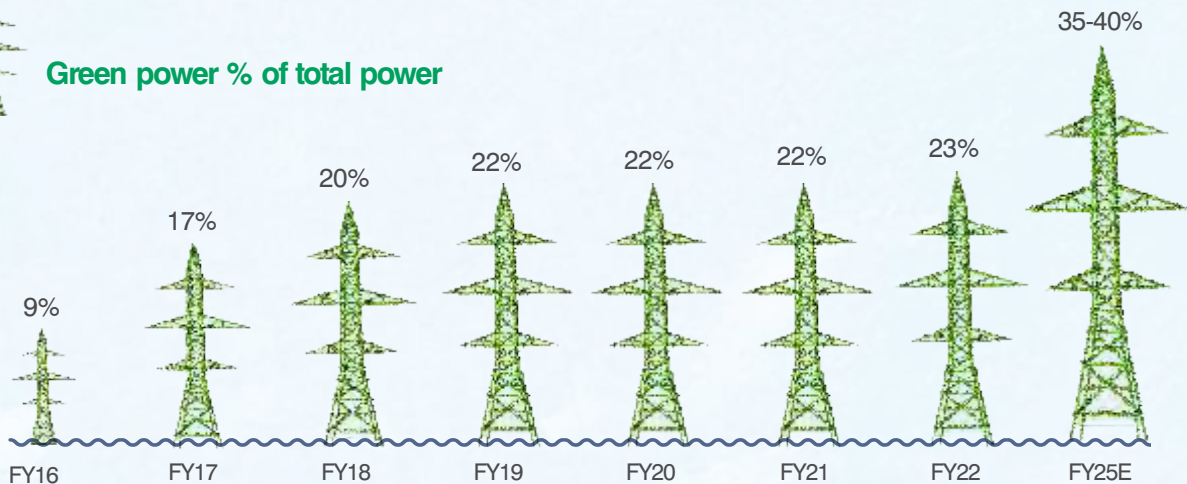


Ammasandra Plant - consistently operating > 90% Green power

Commissioning of 5.5 MW Solar Power Project in mining area at Damoh, Madhya Pradesh.



Green power % of total power



New AFR (Alternative Fuel & Raw Materials) Project at Narsingarh Plant

The substitution of fossil fuels by alternative fuels (AFs) in the production of clinker is of great importance, both for cement producers and for society, because it conserves precious fossil fuel reserves and, in the case of biogenic wastes, reduces greenhouse gas emissions. The clinker firing process is well suited for various alternative fuels; the goal is to optimize process control and alternative fuel consumption while maintaining clinker product quality. Increased usage of alternative fuels can contribute to India's long-term strategy of replacing fossil fuel with alternative fuels and eventually reducing carbon footprint.

In sync with the sustainability objectives of the company, we introduced AF in Narsingarh Line 3 starting with consumption of biomasses from surrounding regions. The system is designed to transport and feed up to 15t/h AF (including biomass, RDF - Refuse Derived Fuel, or combustible components of Municipal Solid Waste, processed municipal wastes, plastic wastes etc.). In the following years, we target to achieve 15% to 25% TSR (Thermal Substitution Rate - the share of energy supplied via

Afs), depending upon the quality of the fuels. Commissioned in January 2022, our new AF Project aims to deliver the following key benefits:

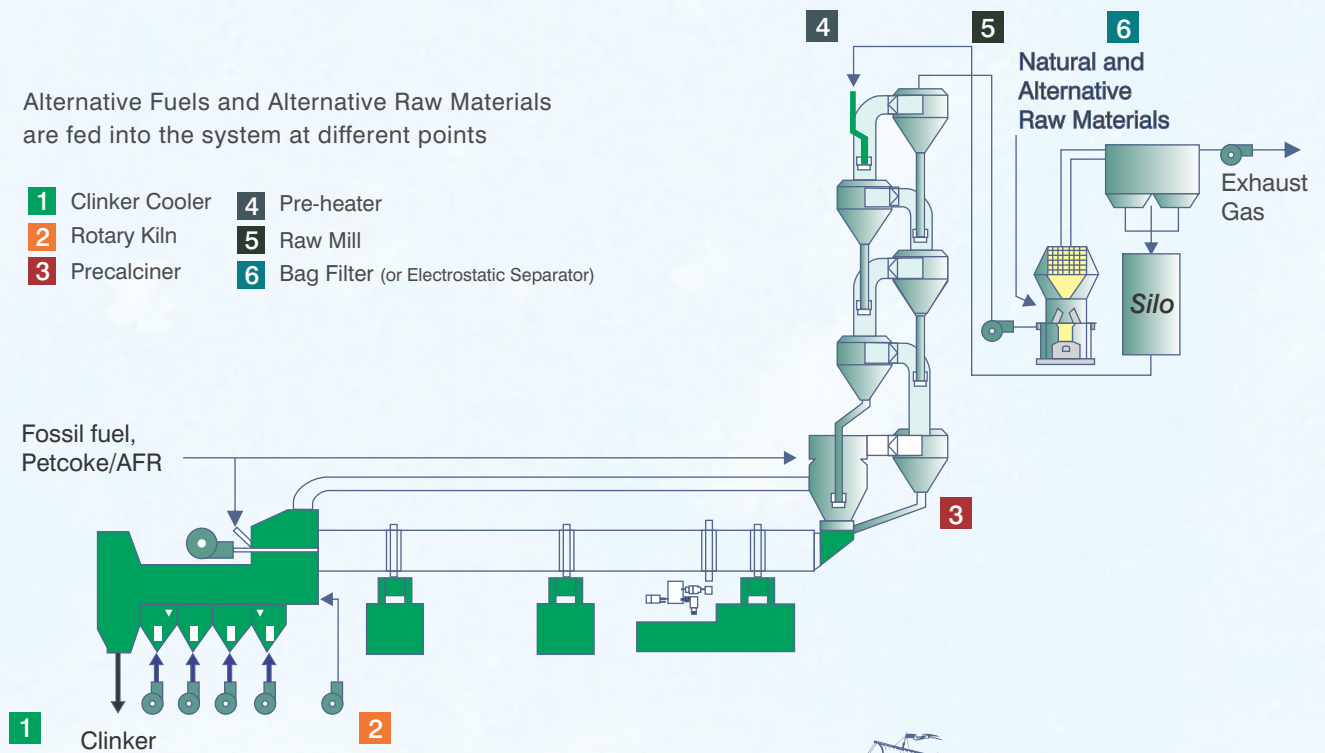
- Improve our flexibility to accept variety of AFRs available locally.
- It improves sustainability footprint by reducing CO₂.
- Cost of heat generated by AF is economical compared to fossil fuel heat thus delivering saving in cost.
- It helps municipality and other waste managing agencies to get rid of waste in an efficient manner.
- Keeps us future ready to be able to comply with evolving environmental norms.
- Reinforces our obligation to environment protection and sustainable development.

New AFR Project at Narsingarh Plant



Alternative Fuels and Alternative Raw Materials are fed into the system at different points

- | | |
|-------------------------|--|
| 1 Clinker Cooler | 4 Pre-heater |
| 2 Rotary Kiln | 5 Raw Mill |
| 3 Precalciner | 6 Bag Filter (or Electrostatic Separator) |



SUSTAINABILITY: Indeed a priority

MINING OPERATIONS: 'Operating Environment'

All our plants are ISO 14001 (Environment Management System) certified. We keep working towards being net / neutral contributor to the environment. We continued to produce 100% blended cement (PPC & PSC), thereby conserving non-renewable natural resource like limestone. Our mining operations are steeped in the sustainability ethos. They include soil management, pollution control, biodiversity conservation, maintaining water balance, and promoting safe mining practices.



ECO-FRIENDLY CRUSHER AREA



Land-reclamation of mined areas through back-filling and their afforestation through plantation of trees like Rain Tree, Banyan, Arjun, Golden Bamboo, Pilkhan (timber), Neem, Indian Rosewood, etc., are part of our overall environment thrust. Not only that, we go an extra mile to see that we leave behind an environment which is better than what we inherited. The testimony of this are the water reservoirs we have created out of the mine pits post extraction of limestone. These reservoirs through harvested rainwater recharge the wells in close vicinity and raise the water table of the area which is a boon for local farmers who now avail minimum two crops in a year. Our Patharia Limestone Mines have been consistently accorded Five Star Ratings by the Indian Bureau of Mines (IBM) ever since the inception of the Ratings System.

WATER RESERVOIR DEVELOPED IN MINED OUT AREA



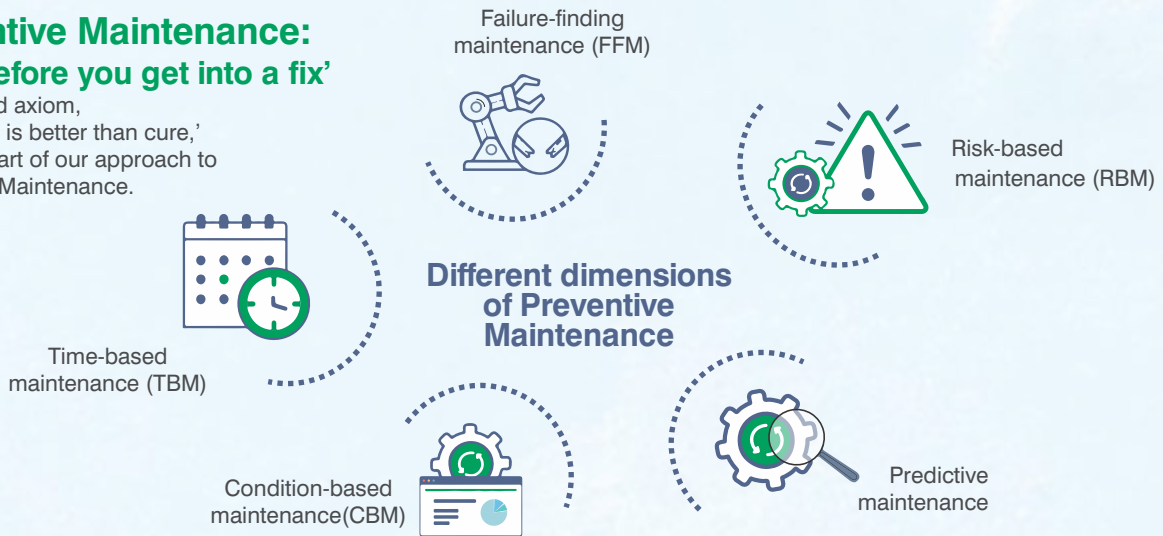
ADDING LIFE TO BIODIVERSITY

Mined out areas are back-filled simultaneously by using the top soil from the mining pits being opened. The afforestation drive undertaken by us on reclaimed mining land has helped us increase the green cover. At the manufacturing plants, the green cover has reached over 38% of the factory area. This assures several benefits to the environment and the society at large in terms of enhanced atmospheric oxygen, absorption of carbon dioxide and prevention of soil erosion. In addition, it has been providing food and shelter to both aquatic and non-aquatic life.

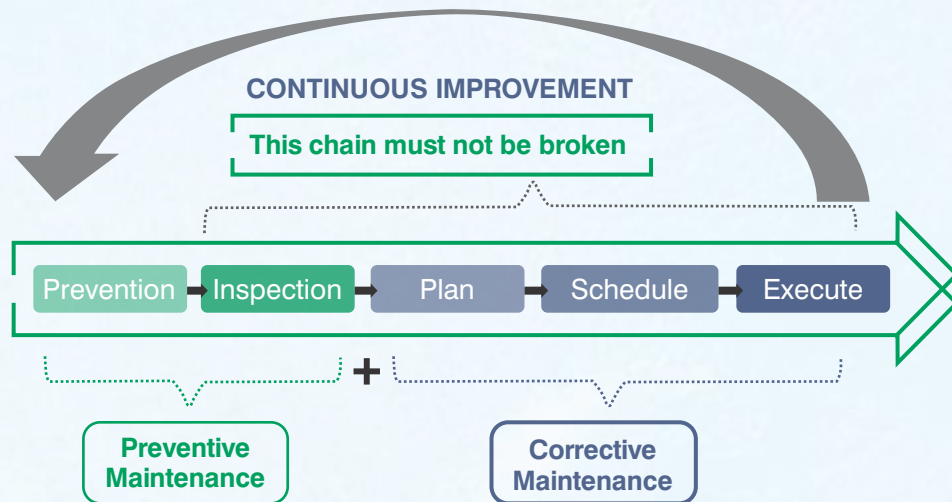


Preventive Maintenance: 'Fix it before you get into a fix'

The age-old axiom, 'Prevention is better than cure,' is at the heart of our approach to Preventive Maintenance.



BROAD APPROACH TO PREVENTIVE MAINTENANCE



- MPIs (Maintenance Performance Indicators) are a means of measuring critical aspects of a maintenance process, which yield accurate information about the current situation.
- MPIs allow control and monitoring of maintenance performance for faster responses in identifying and acting on issues.
- To achieve best maintenance practices, PMR (Preventive Maintenance Routine) for all equipment is created and maintenance is carried out as per the schedule.
- To comply with best maintenance practices, PMR are maintained and reviewed in co-ordination with maintenance team.
- Every week maintenance meetings are carried out to improve and achieve maximum running of equipment with high reliability.
- Regular checks of equipment are performed for their performance and close monitoring is done for corrective measures.
- Maintenance history of equipment are referred for analysis purposes against any abnormal behaviour.
- Bad Actor Analysis is a part of the maintenance strategy to improve equipment reliability and reduce maintenance cost spend. The outcome of the process is very similar to a root cause analysis process. The objective of the Bad Actor Analysis is to identify the cost drivers or root causes and define the corrective measures to eliminate the causes.

EQUIP CHECK

Equip check is a SAP-based world class Predictive Maintenance system to optimize maintenance strategy: predictive maintenance and asset monitoring system. A real time condition-based monitoring system, it analyses machinery health for a preventive response. The objectives are to avoid equipment downtime, improve equipment efficiency and install a faster workflow system. Working with this tool is very simple and easy. Just scanning the QR code on equipment by Tablet or by Smart Phone fetches all information about it on the screen. Benefits include improved quality of notifications (pictures and videos can be easily added), creation of paperless work orders, capture of measuring points and tracking of historical values on site itself for a faster workflow.

DASHBOARD

Work Orders

- Work with assigned Work Orders
- Look at all open Work Orders from the past 14 days
- Look at upcoming Work Orders a week from now
- Re-assign Work Orders

Create Work Orders

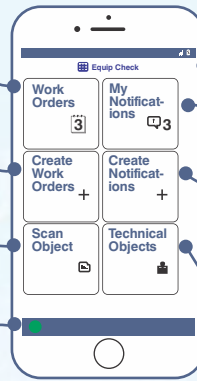
- Create basic Work Order

Scan object

- Barcode Scan
- QR Code Scan

App Status

- Online Status (Green)
- Offline Status (Grey)
- Syno Error (Red)
- Manual Synchronization



Settings

- Change Display Language
- Log out

My Notifications

- Display your created Notifications
- Edit your created Notifications
- Create Notification is possible from My Notification

Create Notifications

- Create Notification Wizard
- Take Photos
- Add Photos from device

Technical Objects

- Equipment Search
- Equipment Lookup
- Historical Data
- Documentations
- Many More

Improved MTBF (Mean Time Between Failures) - A testimony to the effectiveness of the technology-driven Preventive Maintenance measures. Tracking MTBF and instituting measures for improvement results in avoiding costly breakdowns, unplanned down time and achievement of much higher MTBF leading to improved equipment effectiveness that meets the business goals significantly.

Narsingarh All Kilns (1+2+3) MTBF



Health & Safety: ‘Play Safe to Win’

Employee safety is accorded foremost priority and is an integral part of our corporate culture.

We deploy proven measures to improve our operational safety standards as well as reinforce organizational safety-first behavior. From proactive interaction with employees, specific safety trainings, awareness building initiatives, upgrading safety management system in line with international trends and benchmarking– we lead the occupational health & safety drive from the front. The Management is the first to wear the safety helmet and other PPE and follow the cardinal rules. All employees, contractors, vendors or visitors follow suit in assuming accountability towards adhering to the occupational safety regulations.

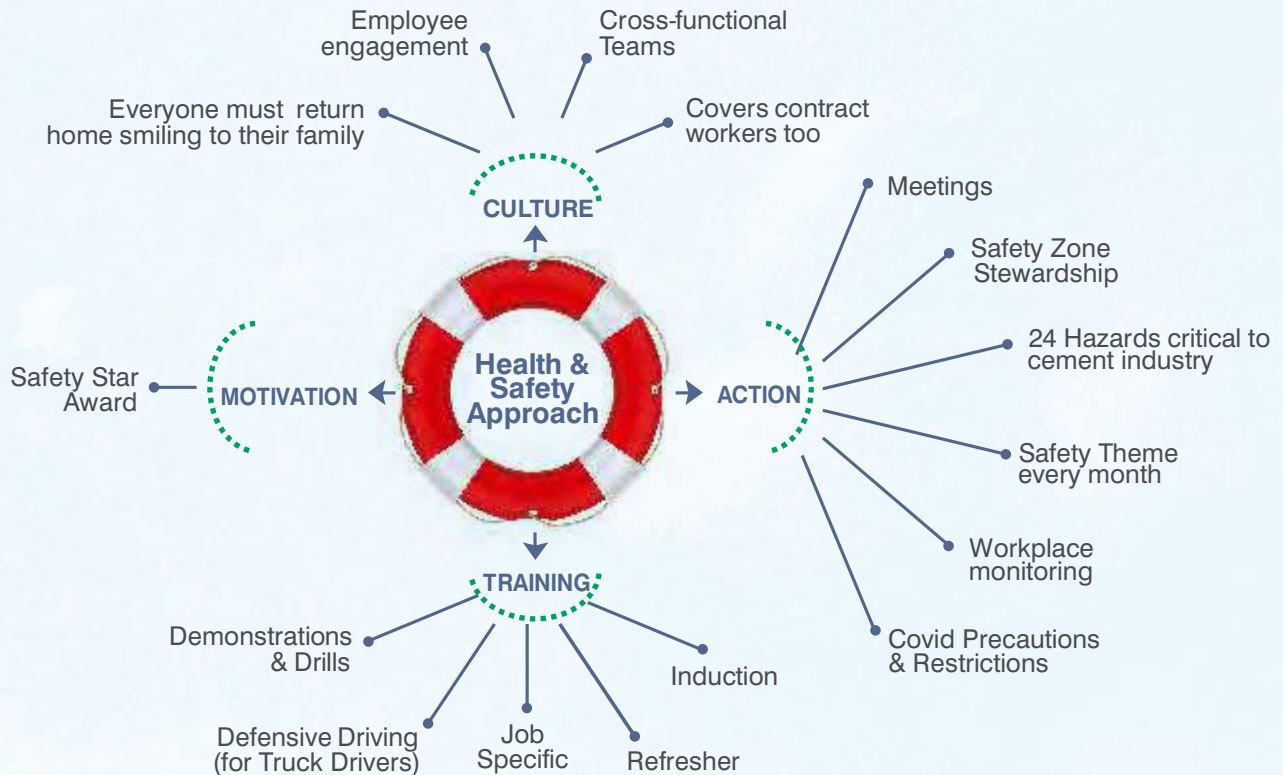


Our workforce is well equipped to adhere to the cardinal norms, guidelines, standards and legal requirements. The day begins with safety prayer, safety pledge during the plant gate meeting. This applies to contractual workforce as well who are formally trained on safety standards before being allowed to work inside our plants.

Through intensive training, we ensure that everyone within the premises remain fully aware of safety risks and preventive measures. It is mandatory for new employees to undergo safety trainings, including fire-fighting training as part of their induction process. Shop floor workers undergo periodic safety trainings which are organised throughout the year.

We remain committed to achieve “zero-harm”. In the year under review, we stood on a firm ground and achieved yet another safe business year .

"Every employee must return to his home smiling."
This philosophy drives all our policies, processes and practices.



SAFETY ZONE AREA



People in our Premises

We cement win-win relationships with our employees. Our talented workforce is our greatest strength and hence our responsibility too. Our organization culture promotes sense of sharing, learning and growing together. Our human resource policies facilitate us to identify promising

employees, nurture their professional growth, and secure their commitment towards the organization. Our talent management strategy incorporates all the key parameters of talent attraction, motivation and retention.



'friends of Earth' PROGRAMME

To increase the green cover, we keep on motivating our business associates to plant trees in their region under our 'friends of Earth' or 'Paryavaran Bandhu' Programme. Under this initiative, the Company has achieved a new milestone by planting over 1,00,000 trees.



Let's Grow Together 

HeidelbergCement India has proudly achieved the milestone of planting

100,000+

Trees* and growing...

Thanks to everyone in the **friends of Earth** community who contributed to achieve this milestone!



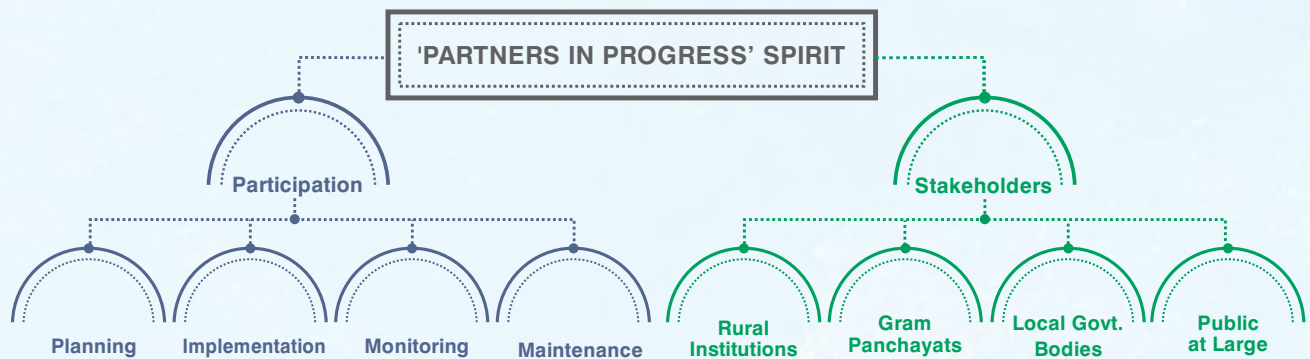
*Cumulative till 31/03/22

THE COMMUNITY AT THE CORE

In our pursuit to remain a good neighbour and a responsible corporate citizen, we nurture a people-first culture. Be it our workforce or the communities residing around our plants - assuming accountability towards their wellbeing comes naturally to us.



OUR APPROACH TO COMMUNITY PROJECTS

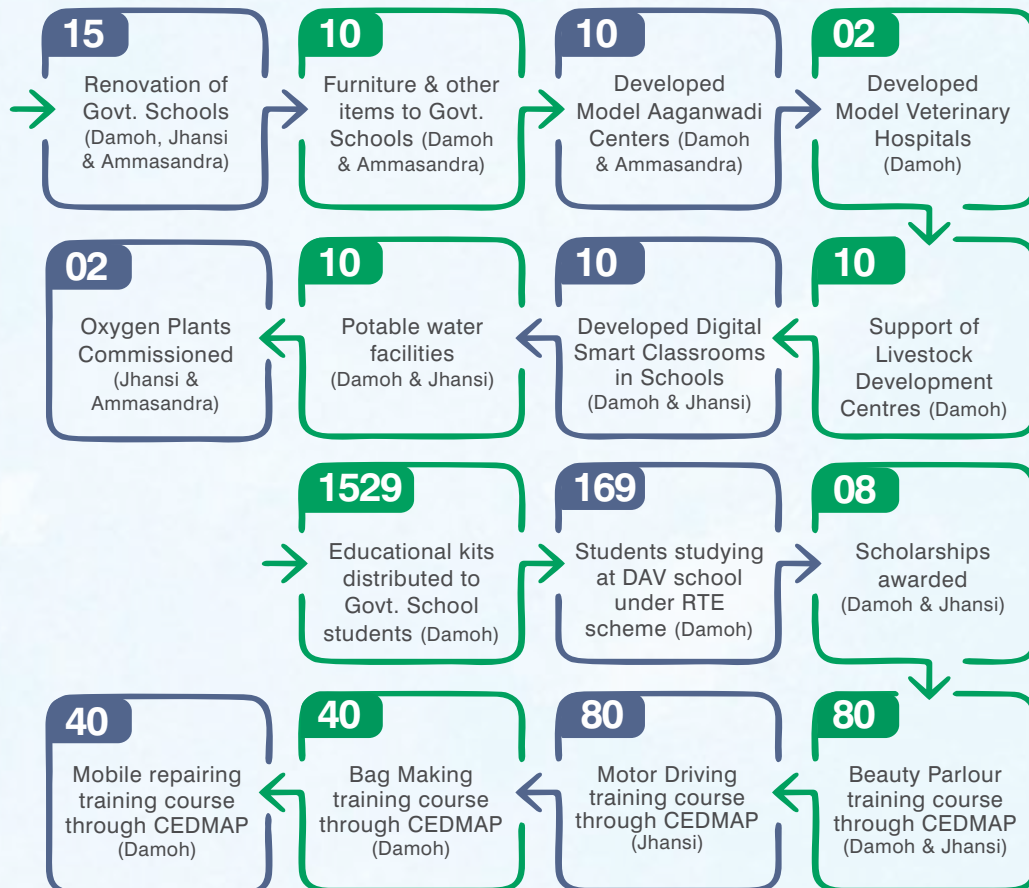


INR 80.5 Million spent on CSR activities during FY 21-22

> which exceeds the statutory obligation stipulated under the Companies Act, 2013



HIGHLIGHTS OF OUR CSR ACTIVITIES





↑
Digital / Smart Classroom



↑
Model Anganwadi Centre



↑
Skill Development Training



↑
Oxygen Plant Commissioned

Skill Development Training

- In association with CEDMAP (Centre for Entrepreneurship Development M.P.), Certified Skill Development Training under the 'Skill India' programme umbrella was provided to batches of 40 trainees for a duration of three months each. The training was imparted in three trades - Bag Making, Beauty Parlour course & Mobile Repairing.
- A sewing school in collaboration with Usha International has been started to provide Skill Development Training in sewing to rural women.

Livestock Initiatives

- To promote cattle farming as an additional source of rural livelihood, the Company has engaged BAIF Institute to provide facilities such as cattle rearing, vaccination, artificial insemination etc., to the villagers in Damoh under our Livestock Development Centre Project.
- The Company has also taken steps for upgradation of rural veterinary hospitals.

185 Hybrid Calf 
Born under Project

486 Families Registered
Under Livestock Development Centre Project

Government Rural Veterinary Hospital Transformation →



OPERATIONAL AND FINANCIAL HIGHLIGHTS

Sales Volume ('000 Tonnes)

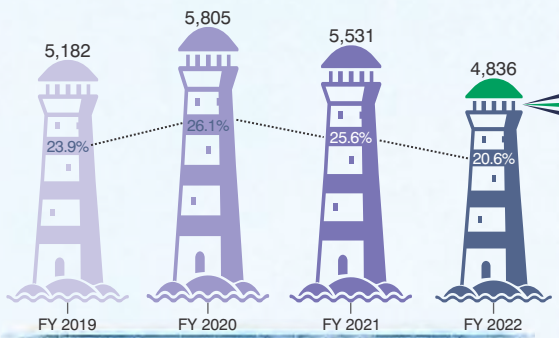


Total Revenue (Rs. Million)



Note: Revenue including other income

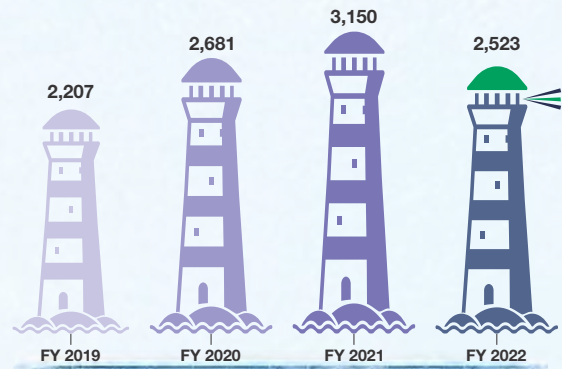
EBITDA (Rs. Million and % of Total Revenue)



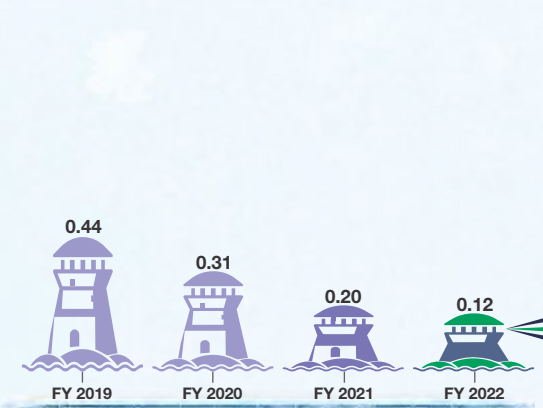
◆ EBITDA% ■ EBITDA

Note: EBITDA including other income

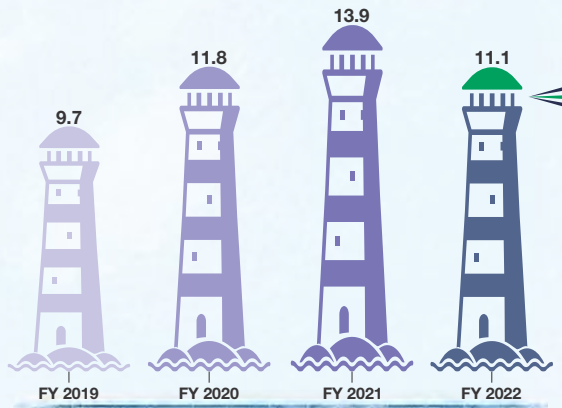
PAT (Rs. Million)



Debt Equity Ratio



EPS (Rs. per Share)



FROM THE DESK OF THE MANAGING DIRECTOR

Dear Shareholders,

“A calm sea does not make a skilled sailor. Organisations become resilient only when they successfully steer the troughs and crests over horizons of time”.

“It is said that the strongest Oak in the forest is not the one that is protected from the vagaries of nature, rather it's the one that stands in the open where it is compelled to struggle for existence and growth”. Similarly, pandemics, global inflation, fuel crisis, geopolitical disturbances etc., have been some of the rough patches we too have been witnessing. However, HeidelbergCement having traversed 149 years through the crests and troughs, has emerged successful every time making it **RESILIENT** enough to sail through the future.

Just like a mother Giraffe gives a hard kick to its newborn to make it learn to get on its feet, COVID-19 knocked us hard as we commenced our financial year FY21 followed by yet another severe blow from the second wave in FY22. However, **“RESILIENT organisations don't just wait for things to happen, they make them happen”.** COVID was a tough learning which challenged us with unprecedented uncertainties. The resilience we had built over the years, came handy and we were able to deliver the **highest ever revenue of ~23.5 Billion INR.**

The year gone by has been a year with varied consumer sentiments. While statistically FY22 delivered a record GDP growth of 8.7%(highest in 22 years), it is pertinent to note that the same happened due to a low base of FY21 because of country-wide lock downs. The aggressive vaccination drive undertaken in our country came to our rescue as the second wave triggered. Resilient, as we Indians are, COVID gradually stopped bothering us and the consumer sentiments began to turn positive. However, this brought in its share of inflation which now stands at unprecedented levels. As if all this was not enough, triggering of Russia-Ukraine war in the fourth quarter threw yet another set of challenges for the globe. The headwinds pushed fuel prices upto unprecedented levels disrupting the cross-border trade. Besides high cost, fuel availability was becoming a hurdle. Since fuel constitutes a major part of cement manufacturing and distribution cost, we grappled to organise its availability and keep our kilns running. It has been a tight rope walk since then making us toggle with increased agility so that we achieve an optimum commercial

balance of our fuel mix. Steadfast, your company **sold a volume of 4.78 million tonnes which was the 2nd highest** surpassing its pre-covid level of 4.71 million tonnes achieved in FY20.

Delivering value for money to our customers, our cement quality continued to be applauded, supplemented by accented customer service levels. The recognition of our quality voiced by Architects and Engineers witnessed new pinnacles. Digitalisation of field tests being carried out by service team is now available in real-time to our discerning customers and their architects to take informed decisions on mix design. **Delighted, our customers reposed their faith in our quality and therefore we were able to clock a higher share of our premium cements, which touched 21%.**The growth trajectory of our premium products remains resiliently stubborn.

Sustainability is our second nature and therefore environment conservation continues to form the core of our business. Our efforts to reduce our environmental footprint, made us increase



the **share of Green power which now stands at 23.1%** and will continue to grow. Our investments in solar power projects now deliver more than 16 MW to power our journey to Net Zero. Our commitment to reduce dependence on fossil fuels has made us explore use of Alternate Fuels, which we now target to reach 30% in the next few years. Our commitment to promote bio-diversity, has made reasonable progress. Our *friends of Earth* website created a new milestone of one lakh trees planted and geo tagged across the country making us feel increasingly confident that we can make the difference and **make the world a wonderful place to live for generations to come.**

What gets monitored, gets measured and what gets measured gets achieved – we truly believe and practice it too. The journey we commenced in 2015 to **achieve a 2 degree lower ambient temperature within our manufacturing units compared to what's prevailing a kilometer away**, has come true with our **Jhansi plant becoming a proud achiever.** Our other plants too are closing in fast and will soon cherish the same pride in the very near future. This achievement is an outcome of relentless dedication to increase the green cover in and around our manufacturing units. Achieving 4.4X water positive is yet another feather in our cap on which we continuously are working to improve it further.

Having earned the distinction of producing 100% green products, our CO₂ road map propels us to further innovate and adopt technologies that would result into year after year reduction of CO₂ per tonne of cement. Although our CO₂ emissions stood at 513 Kg/t of cement compared to industry average of ~578 Kg/t of cement, it does not make us complacent, instead it serves as a motivation to do better and increase our lead.

Digitalisation has become integral to civilisation and therefore business cannot remain an exception. At HeidelbergCement, we have and continue to implement digitalisation programs in our manufacturing processes, sales and marketing, finance, procurement, human relations department, compliance tools etc., with a view to augment efficiency and reduce human errors. Jobs that could be performed through Robotic Process Automation are projects in development and implementation pipeline.

In our country, a large section of our population builds their individual dream home by investing personal time and deploying their hard earned money. To make their home building event memorable, at same time devoid of costly construction mistakes, we have our **Mobile Technical Labs (MTL)** assisting

them on no charge basis. Yet another first in the cement Industry, our Whats App Chat-board guides cement consumers by providing list of authorised dealers in close vicinity and realistic ruling cement price for our brands besides various other services. Just WhatsApp **Hi to 72369 55555 and find answers to your dilemmas pertaining to construction.**

It's proven time and again that **Prosperity of a business has a reasonable share of Society's contribution too.** Extending our CSR initiatives, we equipped a number of Government schools in close vicinity of our plants with **SMART Classrooms.** Walking the extra mile, we launched Animal Husbandry program and Skill Development Trainings for the rural folk that empower them to earn a respectable living and augment family income making them resilient to be able to face the challenges of life. The smiles and glow on the faces of the beneficiaries is just invaluable.

As always, Health and Safety remains our foremost priority driven by our compelling phrase **"Someone is waiting for you at home"**. Every year, our Parivar of Safety Stars keeps growing who champion the cause and set exemplary behavioral standards that compels other colleagues to imbibe and practice. Our commitment to **Zero Harm** stays steadfast. I cannot miss out mentioning about the dexterity with which all employees commit themselves to compliance be it competition laws, emission norms, mining regulations, business ethics, etc. When it comes to compliance, for us there are no shades of grey.

Over the years, we set sail to **Build a Better Future.** By **Unlocking Value we Fortified** the organisation's **Future** and embarked upon making a **Purposeful Change**, heading towards **Building Resilience** to be able to endure and sustain the organisation's progress sailing towards harbours of prosperity.

I would like to take this opportunity to thank the Board of Directors and Top Management of HeidelbergCement Group for their encouragement. I place on record my appreciation for the members of our Parivar (employees) whose commitment and contributions levitate your Company, making it resilient enough to tide over the toughest of challenges if they were to arise in the future. I also thank our channel partners, business associates and every investor for bestowing their trust in us and our business principles.

Yours sincerely,

Jamshed Naval Cooper
Managing Director



BOARD OF DIRECTORS



Mr. Ramakrishnan Ramamurthy
Chairman (Independent Director)

Mr. Ramakrishnan Ramamurthy, aged 70 years, is a graduate in Commerce, holds Diploma in Mechanical Engineering and Post Graduate Diploma in Business Management. He is also certified Mentor /Coach for Leaders and Family Business advisor.

He possesses vast experience, decisive leadership skills and quantifiable achievements in the areas of strategic planning, sales & marketing, manufacturing, product development, international business development, project management & HR in manufacturing, engineering, agri and infrastructure sectors.

He has good track record of strategising and driving successful projects and developed businesses from ground zero both in India and abroad. He demonstrated ability to plan turnaround of loss-making unit by empowering it with effective marketing strategy, manufacturing / operational excellence, improved processes and quality systems and building capability in the organisation & people skills.

He has been working with the Chairman of GMR Group as President-Business Integration for the last eight years supporting business strategy, policies, systems, processes and integration of the various businesses in the Group.

He started his career with Bosch (India) as an apprentice and thereafter worked with Murugappa Group for around twenty years. He has been President of Mytrah Energy Ltd. (an IPP Renewable energy organization), Managing Director of GMR Industries Ltd. and Chief Executive of Sanmar Engineering.



Ms. Jyoti Narang
Independent Director

Ms. Jyoti Narang, aged 64 years, holds a Bachelor's Degree in BA Economics (Honours) from Lady Shriram College for Women, University of Delhi and an MBA in Finance from the University of Delhi. She has also completed her executive education in Advanced Management Programme from Harvard Business School, Strategic Marketing from International Institute for Management Development(IMD), Lausanne and Brand Management from Wharton University of Pennsylvania.

She is a business leader with extensive experience in the service industry. She has a strong strategic perspective, works well with a diversity of styles and has experience in crisis management. Her domain expertise lies in building consumer brands, management of human capital and the impact of technology on both distribution and operations. Till recently, she led a group of luxury hotels that attract an annual footfall of five million and cater to the most discerning clientele in the world. She was also the founding member of the 'Experience India Society' that created the first global campaign for marketing India.

Additionally, being a part of the Tata Group with a combined revenue of over \$100 billion and a significant presence across industries and geographies, she gained expertise in global business practices. Strategic risk, corporate sustainability and technology-led innovation are her focus areas.

Her breadth of experience in marketing and operations combined with her early stint in manufacturing has enabled her to add value across multiple sectors.

BOARD OF DIRECTORS



Mr. Kevin Gerard Gluskie

Non-Executive Director

Mr. Kevin Gerard Gluskie, aged 55 years, completed his Bachelor of Engineering (Honours) with a major in Civil Engineering from the University of Tasmania in 1988 and an Executive Master of Business Administration from the Australian Graduate School of Management in 2001. He had also completed an Advanced Leadership Program in 2007 conducted by McGill University, the Indian Institute of Management, and Lancaster University.

Mr. Gluskie joined Pioneer International (subsequently acquired by Hanson PLC) in 1990 and held a number of operational roles throughout Australia in the Ready-mix Concrete and Aggregates businesses. In 1999 he was appointed as Regional General Manager responsible for the Company's operations in the Victoria and Tasmania regions of Australia. In 2009, Mr. Gluskie was appointed as Chief Executive of Hanson Australia.

Mr. Gluskie was appointed as a member of the Managing Board of HeidelbergCementAG, on 01 February, 2016 and from 01 April, 2016 he assumed responsibility for HeidelbergCement Group's operations in the Asia-Pacific Region.



Ms. Soek Peng Sim

Non-Executive Director

Ms. Soek Peng Sim, aged 53 years, is presently Finance Director for HeidelbergCement Asia Pacific. She holds a bachelor's degree in accounting from University of Malaya, Malaysia. She is also a CPA - registered with The Malaysian Association of Certified Public Accountants (MICPA) as well as a Chartered Accountant honoured by Malaysian Institute of Accounting (MIA). Prior to joining HeidelbergCement Group, she worked with Reckitt Benckiser Group, Philips Malaysia, HoHup Malaysia and The Lion Group, Malaysia. She has rich and vast experience in financial planning & analysis, business development and support, accounting & taxation, business process improvements and corporate structure optimisation. Other than extensive experience in construction materials industry, she also possess diversified industry exposure in FMCG, manufacturing and construction & property development.



BOARD OF DIRECTORS



Mr. Jamshed Naval Cooper
Managing Director

Mr. Jamshed Naval Cooper, aged 65 years, is a science graduate with Post-Graduation in management from the Institute of Management Studies, Indore University. During his professional career he has gained rich experience spanning over 36 years in the Cement Industry. He has also worked for consumer durables industry in the past.

Mr. Cooper joined HeidelbergCement India Limited as Head of Sales & Marketing in December 2006 soon after takeover of Mysore Cements Limited by HeidelbergCement Group. He is credited for revamping the Sales and Marketing setup of the Company and launching of 'mycem' brand which is now positioned as a premium category cement in Central India. He is also the Managing Director of Zuari Cement Limited and Chairman of Gulbarga Cement Limited (which are also part of HeidelbergCement Group). Besides this he is also a member of Board of Governors of National Council for Cement and Building Materials (which is under the Administrative Control of Ministry of Commerce & Industry, Govt. of India).

Prior to joining HeidelbergCement India Ltd., Mr. Cooper served ACC Limited (now a Holcim Group Co.) for 22 years where he also worked for its joint ventures Float Glass and Bridgestone. Prior to ACC, he worked for Godrej & Boyce Manufacturing Co. Ltd. a consumer durables company.

Traversing his professional career, Mr. Cooper has gained experience in Corporate Management, Cost Leadership, Strategy Building, Brand Management, Logistics, Channel Management, Rural Marketing, Feasibility Studies & Project Implementation, Human Resource Management, IT Systems, Procurement and Company Integration. During his illustrious career, he pioneered the 25 kg cement packing and launched bulk cement for the first time in India. One of his achievements has been managing and minimising the risks arising out of spurious look-alike brands.



Mr. Vimal Kumar Jain
Whole-time Director

Mr. Vimal Kumar Jain, aged 54 years, has done B.E.- Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU. In his career spanning over 30 years, consisting of 19 years abroad and 11 years in India, he has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning. He has a successful track record for developing strategic initiatives, organizational improvements, capacity expansions, de-bottlenecking, production and quality improvements, adoption of new technologies, overall cost reductions, waste processing, and working with diverse cultures & challenging environments.

He is working with HeidelbergCement Group since 2007. He has worked as Project Manager with Heidelberg Technology Centre handling projects in Indonesia and Thailand. He joined HeidelbergCement India Limited on 03 January 2022 as Technical Director. Prior to joining HeidelbergCement Group, he has worked with RAK Cement of U.A.E., Prism Cements and Raymond Cement in various capacities in projects and technical functions.



Mr. Vimal Kumar Jain
Whole-time Director

Globally, we have seen unwarned challenging situations in the recent past like Covid-19, the Russia-Ukraine war, Southeast Asia Geopolitical tension, etc. These types of challenges have compelled us to build some mechanisms and build ourselves resilient to mitigate risks arising out of such situations. These situations not only create disturbances in continual operation due to the non-availability of required material/energy source but also fluctuating prices may lead to switchover from one source to another. Our technical operations team is instrumental in taking various steps that create a shield against these challenges; a few of the initiatives are listed below:

- 1. Increasing footprints for low-cost green captive power:** At the Damoh plant, installed ~13 MW WHR plant a few years back. Recently we augmented in-house power generation (added ~6MW solar power plant) to reduce dependency on externally sourced power, thus mitigating price variation according to the increasing energy price of power plants.
 - Sourcing ~15 MW of Solar power at the Jhansi plant to reduce the grid power requirement.
 - At Ammasandra, we are already sourcing more than 90% green power under long-term agreements at prices much lower than the grid.
- 2. Reducing dependency on fossil fuels for Kilns:** We have set up an Alternate Fuel Feeding facility (AFR) at the Narsingarh plant to consume segregated waste material from industries, agriculture, municipalities, etc. These materials will replace costly fossil fuels like coal and pet coke.
- 3. Alternate Raw Materials:** We are replacing additives for clinker with alternate low-cost materials to reduce costs.
- 4. Driving Operations with Digitalization:** To reduce risk to operations due to sudden breakdown or some pandemic stopping the physical presence of operators, we have set up predictive maintenance practices and remote operation of plants from other locations in/outside India.
- 5. Use of green/ alternate energy will not only reduce our power bills but also reduce the CO2 footprint of the company and contribute to India's commitment to the reduction of global warming. This will also bring some revenue for us in the future when such commitments are rewarded in India by some trading certificates.**
- 6. While temperature globally is increasing, our green cover drive to plant more trees has reduced the temperature in our plants by ~2°C lower than the ambient temperature outside plant.**

I strongly believe that steps being taken by HeidelbergCement India Ltd are building its resilience towards any unwarned challenges that come in the future. Thank you all for your trust and support to us in taking these steps.





Mr. Anil Kumar Sharma
CFO

Financial Year 2021-22 began with a challenging situation clouded by Covid. World has been facing difficult years since 2020 - pandemic, economic slowdown, high international crude / fuel prices, and the ongoing Russia-Ukraine war that have increased the inflation significantly. It has also impacted liquidity in market and consumption patterns. This domino effect was felt on our cash flows, working capital, supply chain and the overall cost of production. With the support of stakeholders, our highly motivated team addressed these challenges and at the same time, bring in few 'out of the box' measures that are building resilience.

We were able to well manage customer collections under these unprecedented circumstances. To reduce our Days Sales Outstanding, we suitably modified our credit policies and are pleased to inform that there were no bad debts during the year. Another area to improve cash flows is Inventory management which was optimised by tracking Days Inventory Outstanding for each material.

During the year, the Company repaid entire interest-bearing loan. The Board has also recommended higher dividend from 80% of last year to 90% for FY 2021-22.

Building resilience is possible only with Sustainability and it is not a burden/cost element; rather it is an investment for survival and future growth. As a step in this direction, we have established a plant for handling of alternative fuels(AF) in the manufacturing process and are using various AF such as biomass, municipal waste, plastic waste etc. Initial target for consumption of AF is around 5% Thermal Substitution Rate which will be increased to double digit in short to medium term. It helps us not only to contain costs but also reduce carbon footprint. With a focus on Green Energy, we have put up a Solar Power Plant and also arranged renewable power through third party.

In HeidelbergCement, digital transformation is rapidly changing the landscape of the business, not only in the finance department but also in manufacturing operations. We have implemented Robotic Process Automation (RPA) in the areas of Master Data Governance, Credit Limit Monitoring, Tracking of Purchase Order and dissemination of MIS for internal stakeholders.

FY 22 was a year of learning, developing skills, exploring new options to be future ready in the course of Building Resilience.

I thank all our stakeholders for their support during this challenging time.



Ms. Poonam Sharma
Human Resource-Director

Across the Globe, employees worked through the Pandemic under extraordinary stress and trauma leading to sadness, listlessness, indecisiveness and anxiety about future. Many of us had chosen to look at it as a temporary setback which would revert to normal, but we cannot discount the thoughts of despair which followed every tragedy we heard of or experienced everywhere around us.

Whenever there are Global challenges, businesses see a downward trend and employees going through trauma and anxiety is inevitable. When the tidings change for the better, we may experience “Learned helplessness” akin to the elephant who is left unchanged after a life time of being chained. He will continue to feel helpless and stay in the same place as he has gotten used to over the years. Those who can show mental toughness, do not hesitate to ask for help when needed, and build strong relationship are bound to bounce back. Although resilience such as this is an individual trait, we believe in the Organization that seeing the employees through these difficult times by providing support through flexible policies, family support, building employee networks help build collective resilience. As is said, “That which does not kills us, makes us stronger”, we have every reason to believe that we are amongst the strong survivors, who have made it due to having extremely positive relationships and networks of family and friends around us. They helped us from falling into the thinking traps of over generalizations, every time our symptoms were close to the horror stories in the media. Although, every individual was fighting a lone battle during covid throughout 2020, second quarter of 2021 sent a ray of hope with many restrictions being lifted.

In our belief that employees who are active and constructive as against those who are passive and destructive, we focused on L&D with over 100 trainings conducted internally and externally through the year clocking over 6000 man- hours. We could also see many new capacities launches in the sector with market opening-up for newer opportunities for the talent with us. Impetus on succession management at the middle management level kept us afloat as we managed to hire one third of the positions from within, giving growth opportunities to employees, managing to retain key talent and maintaining business continuity. Approximately over 100 employees joined the talent pool from the industry and outside. We saw an improvement in the employment cost with productivity per employee also seeing a northward trend. Employees were kept engaged through many sports activities in the plants and corporate offices, recognition programs, specially focusing on safety, environment and sustainability improvements. Plants functioned well with Industrial harmony prevailing all through and new Leadership taking over some key functions.





Mr. Purnachander Molugu
Procurement-Director

The repercussions of post COVID had severe impact on the industry and your company is no exception. The disruptions caused by prolonged lockdowns during previous year that continued in 2021 left long term impact impairing supply chain that created supply demand mismatch shooting the prices all-time high and non-availability of commodities.

During these tough times, Life doesn't get easier or more forgiving, we get stronger and more resilient. Towards building resilience, we have continued lot of cost control and supplier engagement measures to sail through the rough waves of disrupted world economy smoothly to ensure uninterrupted supply of Fuels, Packaging, raw materials, spares & consumables for continuous running of your plants. Migration of labour during this period impacted packaging, mining and auxiliary industry fuelled with shortage of raw materials but your company managed sourcing by supplier rotation and identifying new suppliers by meticulous planning.

During this period, global fuel prices have almost tripled, but your company managed to secure coal and petcoke locally mitigating price exposure by long term supply contracts. We have taken up alternative fuels proactively to mitigate alarmingly high fuel prices and future sustainability. We have commissioned AF project in Nov'21 and started using AF having target of 6.3% next year and 15% by 2030 with a clear vision of reducing carbon footprint.

“Resilience is accepting your new reality, even if it's less good than the one you had before” having well understood this, we have tightened our grip from slipping by continuous cost control measures, engaging with stakeholders, digitalization of processes with strong risk control matrix in place to ensure plant operations and usual business will remain unaffected with undeterred focus on cost, quality and continuous availability of resources.

BOARD'S REPORT

To the Members,

The Directors are pleased to present the 63rd Annual Report together with the audited financial statements of HeidelbergCement India Ltd. (the Company) for the financial year ended 31 March 2022 (FY22).

THE YEAR IN RETROSPECT

The last two years have been challenging for the global economy on account of COVID-19 pandemic. Repeated waves of wide-spread infection, supply-chain disruptions, stress on healthcare systems and, more recently, inflation have led to tough time. The unexpected surge in Delta variant of COVID-19 put immense pressure on healthcare systems across India. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. The government also stepped-up capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term growth. The financial system often gets stressed during turbulent times. However, India's capital markets, like many other global markets, have done exceptionally well and facilitated record mobilization of risk capital.

Despite the disruptions caused by the pandemic, India's balance of payments remained in surplus throughout the last two years. RBI maintained the repo rate at 4% and undertook various measures, including secondary market G-sec acquisition programme, special Long-Term Repo operations, etc. to induce additional liquidity in the system.

During FY22, India's GDP grew by 8.7%*, as compared to contraction of 6.6% in FY21. Index of Industrial Production (IIP) grew by 11.3%* in FY22, driven by a favourable base as it was negative by 8.4% in FY21. Within the IIP data the index of eight core industries, which includes cement industry, increased by 10.4%* in FY22 as compared to contraction of 6.4% in FY21.

The war between Russia and Ukraine has resulted in major ramifications for the global economy, that was on the recovery path post COVID-19 pandemic. Both the Countries being major producers of various commodities, disruptions created by war have resulted in soaring global commodity prices especially that of crude oil, coal, natural gas, fertilizers and metals. Similarly, food inflation is also gathering pace across the globe as Russia and Ukraine are major producers and exporters of food grains. The US Fed and other central banks, including RBI, have swung into action by nudging up their interest rates to control inflation which in turn may destabilize growth.

*Source: Ministry of Statistics and Programme Implementation.

FINANCIAL HIGHLIGHTS / REVIEW OF OPERATIONS

During FY22, the Company produced 4.75 million tonnes of cement compared to 4.53 million tonnes during the financial year ended 31 March 2021 (FY21), an increase of 4.85%. Cement sales during the year were 4.78 million tonnes compared to 4.49 million tonnes in FY21, an increase of 6.46%.

A snapshot of the Company's financial performance for FY22 vis-à-vis FY21 is as under:

(INR in Millions)

Particulars	FY 2022	FY 2021
Income		
Revenue from Operations	22,969.6	21,166.7
Other Income	490.7	464.6
Total Revenue	23,460.3	21,631.3
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)- Including other income	4,836.2	5,531.0
Depreciation and Amortization	1,120.5	1,110.3
Finance Cost	364.4	508.5
Profit before Tax	3,351.3	3,912.2
Total Tax expense	828.7	762.7
Net Profit for the year	2,522.6	3,149.5

In the wake of challenges posed by second wave of COVID-19 during April to June 2021 your Company as a responsible citizen stood fully committed to the wellbeing of its employees and the society at large. Amidst varied restrictions due to COVID-19, demand turned erratic and fierce competition in the market built pressure on prices especially in Central India which had enjoyed stability for a long time.

On the operations front, your Company faced challenges in procurement of coal due to shortage of coal in the Country coupled with mining disruptions in Australia and South Africa. Consequently, the Company had to increase reliance on pet coke and also constantly changed the fuel mix to achieve cost optimisation. Unabated increase in price of crude oil resulted in increase in cost of packaging bags and freight cost. Frequent stoppages of power plants, due to shortage of coal as well as low power demand amid lockdowns, led to reduced fly ash generation thus



compelling us to source fly ash from distant locations to be able to ensure uninterrupted production of Portland pozzolana cement.

We focused on various cost control measures such as renegotiating existing contracts, bundling contracts for additional discounts, extending annual service contracts etc., to ensure uninterrupted supply of raw materials, spares and provision of services. The Company also reviewed its Risk Control Matrix to counter the emerging challenges arising from the unprecedented situation. A continuous process of coordination with all stakeholders is in place to continually assess the risks and take corrective measures.

The Company relentlessly strives to transit from grey to green to reduce its carbon footprint. A state-of-the-art facility has been commissioned at Narsingarh clinkerisation unit to substitute part of the Fossil Fuels used in the kiln with Alternate Fuels. This initiative will result in reduction in CO2 emissions by ~42,000 tonnes per annum. The Company has also commissioned 5.5 MW Solar Power Plant in its mining area at Damoh, Madhya Pradesh.

REDEMPTION OF NON-CONVERTIBLE DEBENTURES

The Company had allotted 10.4% Non-Convertible Debentures aggregating to INR 3,700 million on 16 December 2013. These debentures were redeemable in three instalments at the end of 6th, 7th, and 8th year from the date of allotment. The Company has through its internal accruals paid all the redemption instalments on due dates as per the details given below:

Sr. No.	Due Date	Amount paid (INR in Million)
1	16 December 2019	1250
2	16 December 2020	1250
3	16 December 2021	1200

Sr. No.	Financial Year	Dividend Per Share (INR)	Date of declaration	Date of transfer to IEPF
1	FY2016-17	2.00	22 September 2017	28 October 2024
2	FY2017-18	2.50	21 September 2018	27 October 2025
3	FY2018-19	1.00 (Interim)	25 October 2018	30 November 2025
4	FY2018-19	3.00 (Final)	19 September 2019	24 October 2026
5	FY2019-20	1.50 (Interim)	23 November 2019	28 December 2026
6	FY 2019-20	6.00 (Final)	18 September 2020	21 October 2027
7	FY 2020-21	8.00	27 September 2021	01 November 2028

The Debenture Redemption Reserve (DRR) stood at INR 710.1 million as on 31 March 2021. After the payment of final redemption instalment on 16 December 2021, the DRR is no longer required and as such it is proposed to transfer the credit balance of DRR to the General Reserve of the Company. In November 2021, India Ratings and Research Pvt. Ltd. upgraded the credit rating by one notch to "IND AAA" (with stable outlook).

The Board of Directors of the Company doesn't propose to transfer any amount to the General Reserve from the Net Profit for FY22.

DIVIDEND

The Board has recommended dividend of INR 9 per share (90%) for FY22, subject to the approval of the shareholders in the ensuing AGM (Dividend paid during FY21 was INR 8 per share). The proposed dividend for FY22 will absorb INR 2039.5 million. In accordance with the provisions of the Income Tax Act, 1961 the proposed dividend will be taxable in the hands of shareholders but liable for Tax Deduction at Source (TDS) by the Company at the applicable rates.

Dividend Distribution Policy

Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requires top 1000 listed companies based on market capitalization to formulate a Dividend Distribution Policy. In compliance with the said requirement, the Board of Directors had formulated a Dividend Distribution Policy in FY17 and the same is posted on the Company's website. The web-link to access the said policy is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/HCIL_Dividend_Distribution_Policy.pdf

Unclaimed Dividends

The respective due dates on which unclaimed amounts of dividends pertaining to the prior years will be transferred to 'Investor Education and Protection Fund' (IEPF), constituted by the Ministry of Corporate Affairs, are given below:

ENVIRONMENTAL SUSTAINABILITY

Natural resources have been the foundation of every modern-day progress and are critical for our manufacturing processes as well. We are conscious that containing the environmental impact of manufacturing processes needs significant and systemic measures. We, therefore, follow a three-pronged approach to fulfil our commitment towards sustainability: Prevention, Mitigation and Compensation. Committed to deliver on our Sustainability Goals 2030, we strive to excel in environment protection by reducing our footprints on water, air and land, and simultaneously drive a circular economy by reducing waste, recycling and reusing the materials. We remain committed to engage and deliver in the following key domain areas:

- Driving Economic Strength & Innovation
- Achieving excellence in Occupational Health and Safety
- Reducing our Environment Footprint
- Enabling Circular Economy
- Being a Good Neighbour
- Ensuring Compliance and Transparency

All plants of the Company are ISO 14001 (Environment Management System) certified. The Company consumed ~34.93% of fly ash in producing PPC cement and ~53.15% of slag in producing PSC cement thus reducing limestone consumption, preserving limestone reserves for posterity. During FY22 the Company generated 73,655 Mega Watt (MW) of power from Waste Heat Recovery Power Plant at Narsingarh. We have commissioned 5.5 MW Solar Power Plant in the mining area at Damoh, Madhya Pradesh. We have also invested in alternative fuels feeding system, another green initiative which has increased the usage of alternative fuels in kiln.

We have embraced a culture of conservation, and integrated environmental parameters into our growth aspirations by adopting state-of-the-art technological interventions, innovative production techniques, resource optimization measures and sustainable mining practices. Through a series of well-calibrated pre and post mining measures, the Company strives to reverse the operational impact and at the same time add value to the economy and community. Our mining operations include soil management, pollution control, biodiversity conservation, maintaining water balance, and promoting safe mining practices. Post mining, the land is reclaimed through back-filling and afforestation by planting trees like Rain Tree, Banyan, Arjun, Golden Bamboo, Pilkhan (timber), Neem, Indian Rosewood etc. Some of the mined areas have been developed into large water reservoirs that have become a boon for the villagers since the harvested rainwater not only recharges the ground water leading to significant improvement in water table of the area but also serves their irrigation needs. As a result of these actions, Patharia limestone mines is consistently getting five Star Rating from the Indian Bureau of Mines (IBM) ever since the concept of five Star Rating was introduced by IBM.

ENRICHING BIODIVERSITY

Development of green belt in the plants and mines provides several benefits to the environment and the society at large in terms of release of oxygen, absorption of carbon dioxide and prevention of soil erosion. The green cover extends to over 38% of the factory area. Water bodies too have been developed to support plantation. These water bodies and trees are home to a variety of flora and fauna. The enriched biodiversity provides shelter to numerous species of animals and birds indirectly helping in improving the happiness quotient of our employees.

To increase the green cover, we are continuously motivating our business associates to plant trees in their region under our “friends of Earth” programme. Under this programme, the Company has achieved a new milestone by planting over 1,00,000 trees. It is a step towards our commitment to make the world a better place to live for our generations to come.

MAKING A DIFFERENCE THROUGH CSR

The Company is committed to the wellbeing of local communities and continues to make its contribution through variety of community development programmes and projects. Community development interventions are focusing on education, healthcare, sustainable livelihood, infrastructure development & social engagement programs. Our belief is to encourage community participation at all levels from planning, implementation, monitoring and maintenance of infrastructure already developed. Our approach is to align our initiatives and efforts with other stakeholders like village institutions, gram panchayats and local bodies of government. During FY22 the Company has spent INR 80.5 million on various CSR activities / projects which is greater than the obligation pursuant to Section 135 of the Companies Act, 2013.

We work with the spirit of being “partners in progress”. During the second wave of COVID-19 pandemic, the Company maintained continuous interaction with gram panchayats and village representatives to assess their needs and provide them support to the extent possible. The Company assisted district administrations in development of a 100 bed COVID care centre in Damoh and installation of oxygen plants at Jhansi & Ammasandra. We continued to distribute face masks and sanitizer dispensers in nearby villages to mitigate the risk of spread of COVID-19. Sanitization drive was also carried out in some villages that were identified as high-risk areas.

In association with District Women & Child Development Department of Damoh & Ammasandra, we have converted 10 Anganwadi centres into Model Anganwadi centres. These centres have been properly renovated and equipped with furniture and playing items to serve over 1,000 children.

We are working on transformation of rural schools. In Damoh & Jhansi, basic infrastructure of 15 government schools was upgraded benefitting over 5,000 students and 135 teachers. In some nearby schools, new classrooms



were constructed (including Digital classrooms) while in few others extensive repair and renovation work was undertaken. Availability of potable water has also been ensured in some Schools. Scholarships were given to meritorious students to facilitate their higher education. Educational kits and uniforms were also distributed to students.

Complimenting Government's "Skill India Mission", we have set up skill development centres known as "Sakshamta Vikas Kendra" at Jhansi & Damoh. To enhance the quality of training in tailoring, we have made arrangement with Usha International Ltd., and set up a 'Silai School' at Damoh. We have imparted training to 240 rural youth in making bags, repairing mobile phones, four-wheeler driving, and working as beautician.

To promote cattle farming as an additional source of rural livelihood, the Company has engaged BAIF Institute to provide facilities such as cattle rearing, vaccination, artificial insemination etc., to the villagers in Damoh. The Company has also taken steps for upgradation of rural veterinary hospitals.

The Report on CSR activities in the format prescribed by the Ministry of Corporate Affairs is annexed herewith as 'Annexure – A'.

OCCUPATIONAL HEALTH & SAFETY

Besides our business priorities, the Occupational Health and Safety (OH&S) has remained our Company's foremost priority. "Every employee must return home smiling to their family". Driven by this philosophy, we endeavour to provide a safe and healthy working environment.

The day at the plants begins with safety gate meetings wherein important safety aspects are discussed along with safety prayer and pledge. To improve the Happiness Quotient among the workmen, people are encouraged to share jokes during their daily gate meeting and enter plant after having taken the safety pledge. We believe that it's the "Smiles that will take us Miles".

Safety conversations and safety zones are effectively used for employee engagement and nurturing safety culture in all aspects of operations. Safety zones have been created at all plants with cross functional teams including contractual employees.

HeidelbergCement Group's cardinal norms, guidelines, standards, and legal requirements along with stipulations under ISO 45001 – Occupational Health and Safety Management System are being strictly adhered to at all the plants. Employees were imparted safety induction trainings, refresher courses and job specific trainings like scaffolding safety, working at height and in confined space etc.

A schedule of twenty-four most critical safety hazards relevant to the cement industry has been compiled. Each month, a safety theme is taken up and its key aspects are deliberated so as to firmly ingrain the importance of the activity and build a conscious driven safety culture in the organization. Truck Drivers were also imparted training on

defensive driving techniques. Monitoring of the workplace for noise, particulate matter, free silica and illumination level is being done as per the regulatory norms. All plants are ISO 45001 certified.

In order to prevent and contain COVID-19 infection, thermal scanning of individuals has been made mandatory at entry gates of all plants. In addition to the usual Personal Protective Equipment (PPE), COVID-19 protection has also been made mandatory while working in the plant premises. Sanitizer dispensing machines and handwashing facilities have been provided at relevant places, and social distancing norms are also followed.

We are happy to inform that the Company has achieved safe business year with no fatality and Lost Time Incidents Frequency Rate (LTIFR) was 0.27.

AWARDS AND ACCOLADES

The Company continues to pursue excellence in all areas of its operations as evident from the recognition in the form of awards and honours.

- Diamond Patharia Limestone Mines received 1st prize in Mining Category from Honourable Chief Minister of Madhya Pradesh, Shri Shivraj Singh Chouhan on World Environment Day Celebration.
- Diamond Patharia Limestone Mines received "Amrit Puraskar" from Indian Bureau of Mines, Jabalpur.
- Jhansi Plant received 'Excellent Energy Efficient Unit' award by Confederation of Indian Industry (CII) at the 22nd National Awards for Excellence in Energy Management.
- 8th CSR India Award 2021' by Greentech Foundation for Outstanding Achievements in Promotion of Education.
- 'CSR Times Award 2021'– 'Silver Award' in Rural Development & Infrastructure category.
- 'Apex India CSR Excellence Award 2021'– 'Gold Award' by Apex India Foundation for Integrated Village Development.
- 'Global CSR Awards 2022' by Energy & Environment Foundation for Integrated Community Development Project.
- 4th ICC Social Impact Awards 2022' by Indian Chambers of Commerce for Promoting Education.
- Damoh Unit was awarded 'Certificate of Recognition' by District Administration, Damoh for Health Development Works & Model Aaganwadi Project.

CORPORATE GOVERNANCE

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency, and accountability. The Company believes in creating and nurturing relationships based on trust and transparency with all its stakeholders. The governance framework enjoins the highest standards of ethical and responsible conduct. All Directors and employees consider governance as their personal responsibility and conduct themselves in accordance with the Code of Conduct set out by the organization.

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have reinforced the governance regime in India. The Company is compliant with the corporate governance requirements as prescribed under the said Regulations. The Company has also ensured compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India pursuant to Section 118(10) of the Companies Act, 2013.

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Corporate Governance Report pertaining to FY22 forms part of this Annual Report. Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from M/s. Nityanand Singh & Co., a firm of Company Secretaries in Practice, confirming compliance with the conditions of Corporate Governance is also annexed to the Corporate Governance Report.

A certificate furnished by Mr. Jamshed Naval Cooper, Managing Director and Mr. Anil Kumar Sharma, Chief Financial Officer in respect of the financial statements and the cash flow statement for the financial year ended 31 March 2022 is annexed as 'Annexure-B' to this Report.

Management Discussion and Analysis Report is also given as an addition to this Report.

BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report forms part of this Annual Report.

DIRECTORS

Appointment of Independent Director

The Board of Directors of the Company appointed Ms. Jyoti Narang as an Additional Director in the category of Non-Executive Independent Woman Director, with effect from 18 August 2021. The members of the Company at the last AGM held on 27 September 2021 regularised the appointment of Ms. Narang for a term of five years from 18 August 2021 to 17 August 2026.

Resignation of Chairperson

Ms. Akila Krishnakumar resigned from the position of the Chairperson & Non-Executive Independent Woman Director of the Company with effect from close of business hours on 19 October 2021. The Board places on record its appreciation for the valuable guidance and directions provided by Ms. Akila Krishnakumar during her tenure as Chairperson of the Board.

Appointment of new Chairman

The Board of Directors has appointed Mr. Ramakrishnan Ramamurthy, Independent Director, as new Chairman of the Board with effect from 20 October 2021.

Retirement by rotation

Mr. Kevin Gerard Gluskie, Director retires by rotation at the ensuing AGM and being eligible has offered himself for

reappointment. His brief profile is given in the Notice of AGM. The Board hereby recommends his reappointment.

Change of Whole-time Director

The members of the Company at the last AGM held on 27 September 2021 had reappointed Mr. Sushil Kumar Tiwari as Whole-time Director of the Company for a further term of one year from 10 June 2021 to 09 June 2022. Accordingly, the Board of Directors at its meeting held on 20 May 2022 appointed Mr. Vimal Kumar Jain (DIN: 09561918) as Whole-time Director of the Company with effect from 10 June 2022 in place of Mr. Sushil Kumar Tiwari. A brief profile of Mr. Jain is given in the Notice of AGM. The Company has received a notice under section 160(1) of the Companies Act, 2013 from a member proposing the candidature of Mr. Jain for appointment as a Director at the ensuing AGM. The Board recommends the appointment of Mr. Jain by the members at the ensuing AGM for a term of three years from 10 June 2022 to 09 June 2025.

The Board places on record its appreciation for the valuable services rendered by Mr. Tiwari during his tenure as Whole-time Director of the Company.

Declaration of Independent Directors

Mr. Ramakrishnan Ramamurthy and Ms. Jyoti Narang, Independent Directors on the Board have submitted declarations to the Company that they fulfill the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors, based on the declarations received from the Independent Directors, has verified the veracity of such declarations and confirms that the Independent Directors fulfill the conditions of independence specified in the (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management of the Company.

DISCLOSURES UNDER COMPANIES ACT, 2013

Number of Board Meetings: During FY22, five Board Meetings were held. The details of the same are given in the Corporate Governance Report.

Composition of Audit Committee: The Audit Committee of the Company as on 31 March 2022 comprised three members namely, Ms. Jyoti Narang (Chairperson of the Committee), Mr. Ramakrishnan Ramamurthy and Ms. Soek Peng Sim.

Board Evaluation: In accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, that of the directors individually and that of all the Committees constituted by it, namely, the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. The manner in which the performance evaluation has been carried out has been explained in the Corporate Governance Report.



Policy for appointment and remuneration of directors:

The Board has on the recommendation of the Nomination and Remuneration Committee, formulated a Nomination and Remuneration Policy. The policy inter alia lays down the criteria for determining qualifications, attributes and independence of potential candidates for appointment as directors and determining their remuneration. The brief details of the Policy have been provided in Corporate Governance Report. The said Policy has been posted on website of the Company and the weblink to access the said policy is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/Nomination_and_Remuneration_Policy.pdf

The Board has also adopted a 'Board Diversity Policy' which requires the Board to ensure appropriate balance of skills, experience and diversity of perspectives in its own composition.

Annual Return: The Annual Return of the Company for FY21 already filed with the Ministry of Corporate Affairs (MCA) and the draft Annual Return for FY22 are available on the website of the Company and the weblink to access the same is as follows:

<https://www.mycemco.com/financial-results>

After the filing of Annual Return for FY22 with MCA, the aforesaid draft version of the Return will be replaced with the final version.

Key Managerial Personnel: Details of Key Managerial Personnel of the Company are given below:

- Mr. Jamshed Naval Cooper, Managing Director;
- Mr. Sushil Kumar Tiwari, Whole-time Director (up to 09 June 2022);
- Mr. Vimal Kumar Jain, Whole-time Director (with effect from 10 June 2022);
- Mr. Anil Kumar Sharma, Chief Financial Officer; and
- Mr. Rajesh Relan, Legal Head & Company Secretary.

LOANS, GUARANTEES, SECURITY, AND INVESTMENTS

During FY22, the Company has not given any loan, guarantee or security pursuant to the provisions of section 186 of the Companies Act, 2013. The outstanding principal amount of loan given to Zuari Cement Limited (a fellow subsidiary) in FY21 stands at INR 1500 million as on 31 March 2022.

During FY22, the Company has acquired 3,636,364 equity shares of Lalganj Power Private Limited (LPPL) constituting 4.2% of the paid-up equity share capital of LPPL in order to procure around 22 Gigawatt hours per annum of solar power under captive arrangement for operating its Jhansi plant.

The details of Outstanding Loans and Investments made by the Company as on 31 March 2022 are given in Notes to the financial statements.

General: The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions with respect to these items during FY22:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of stock options or sweat equity shares.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

INTERNAL FINANCIAL CONTROLS

The Company has in place relevant internal controls, policies, and procedures to ensure orderly and efficient conduct of its business. Standard Operating Procedures (SOPs) and Risk Control Matrix (RCM) have been designed for critical processes across all operations. The internal financial controls are tested for operating effectiveness through management's ongoing monitoring and review processes, and independently by the internal auditors. In our view the internal financial controls are adequate and are operating effectively.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them and based on the assessment of the management, the Board of Directors makes the following statements in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual accounts for the financial year ended 31 March 2022 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the financial year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the financial statements for the financial year ended 31 March 2022 have been prepared on a 'going concern' basis;
- e) that proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions entered between the Company and its related parties during the financial year ended 31 March 2022 were in the ordinary course of business and on an arm's length basis. The particulars of such transactions have been disclosed in notes to the financial statements for FY22. During the year under review, the Company has not entered in any related party transaction exceeding the threshold limit provided under the Companies Act, 2013 / Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omnibus approvals are obtained before the commencement of the financial year, for the transactions which are foreseeable and are repetitive in nature. A statement of all the related party transactions is placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions.

The Company has in place a Policy on Related Party Transactions and a framework for the purpose of assessing the basis of determining the arm's length price of relevant transactions. The said policy and the framework are annually reviewed by the Audit Committee and the Board of Directors. The same have been posted on the Company's website. The web-link to access the said policy and framework is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/Related_Party_Transaction_Policy.pdf

RISK MANAGEMENT

The Board of Directors of the Company has constituted a Risk Management Committee for reviewing and monitoring the risk management plan of the Company and ensuring its effectiveness. The business risks have been classified under the broad heads - strategic, operational, financial, and legal & compliance risks. The Company's Risk Management Policy lays down a bottom-up process comprising risk identification, analysis and evaluation, treatment and controlling. The Chief Risk Officer and the Risk owners identify and analyse risks in their area of operations. The risks faced by the Company, their impact and the mitigation measures are categorised as high, medium and low risks which are then reviewed by the Senior Management and the critical ones are placed before the Risk Management Committee/Board of Directors for review.

The Board provides oversight and reviews the Risk Management Policy. The Board is responsible for framing, implementing and monitoring the risk management plan of the Company. During the year under review, Internal auditors, had also tested the Risk & Control Matrices for various processes as a part of Internal financial control framework.

The details of the functioning of the Risk Management Committee and its frequency of meetings are provided in Report on Corporate Governance forming part of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism / whistle blower policy to deal with the instances of unethical behaviour, fraud, conflict of interest, mismanagement, and violation of the Code of Conduct. During FY22 no complaint was received under the Vigil Mechanism. The details of the vigil mechanism are given in the Corporate Governance Report and a copy of the Policy has been posted on the Company's website. The weblink to access the same is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/W.e.f.19.10.2021_HCIL_Whistle_Blower_Policy_English.pdf

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company is compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which aims to protect women at workplace against any form of sexual harassment and prompt redressal of any complaint. During FY22, no complaint was received by the Company in this regard.

AUDITORS

In accordance with the provisions of Section 139(1) of the Companies Act, 2013, the members at the 58th Annual General Meeting (AGM) of the Company held on 22nd September 2017 had appointed M/s. S.N. Dhawan & Co. LLP, Chartered Accountants, as statutory auditors of the Company to hold office up to the conclusion of the 63rd AGM i.e., for conducting statutory audits commencing from FY 2017-18 until FY 2021-22.

In view of the end of first term of statutory auditors, the Board of Directors on recommendation of Audit Committee has decided to recommend to the shareholders the reappointment of M/s. S.N. Dhawan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for another term of five years i.e., for conducting statutory audits commencing from FY 2022-23 until FY 2026-27.

The Company has received written consent and certificate of eligibility from M/s. S.N. Dhawan & Co. LLP, Chartered Accountants in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. They have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the SEBI Listing Regulations.

A resolution proposing reappointment of M/s. S.N. Dhawan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company from the conclusion of the ensuing AGM until 68th AGM of the Company forms part of the Notice of ensuing AGM.

The observations of the Auditors in their report on Financial Statements read with the relevant notes are self-explanatory. The Independent Auditors' Report does not contain any qualification, reservation, or adverse remarks.



COST AUDIT

The Company is maintaining cost records in accordance with the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder. The Cost Audit for FY21 was conducted by M/s. R.J. Goel & Co., Cost Accountants, Delhi. The Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Audit of the cost accounts of the Company for FY22 is also being conducted by the said firm and the Report will be filed within the stipulated time.

In accordance with Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors has on the recommendation of the Audit Committee, appointed M/s. R.J. Goel & Co., Cost Accountants as Cost Auditor of the Company for FY23 on a remuneration of INR 2,50,000. Pursuant to Section 148(3) of the Companies Act, 2013, a resolution seeking member's ratification for the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants for FY23 is included in the Notice convening the AGM. The Board recommends the aforesaid resolution for approval of the members.

SECRETARIAL AUDIT

The Board had appointed M/s. Nityanand Singh & Co., a firm of Company Secretaries in Practice as Secretarial Auditor for carrying out secretarial audit of the Company for the financial year ended 31 March 2022 in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of the Secretarial Auditor is annexed herewith as 'Annexure-C'. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remarks.

Secretarial Compliance Report: SEBI had vide its circular dated 8th February 2019 made it mandatory for listed companies to annually submit a Secretarial Compliance Report to stock exchanges. M/s. Nityanand Singh & Co. has furnished Secretarial Compliance Report for FY22. The said Report does not contain any qualification, reservation, or adverse remarks. The said Report has been placed on website of the Company and the web link to access the same is as under:

https://www.mycemco.com/sites/default/files/PDF/Announcements/Secretarial_Comp_iance_Report.pdf

PARTICULARS OF EMPLOYEES

The particulars of employees required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed as 'Annexure-D'. In accordance with the provisions of Section 136 of the Act, the Board's Report and the financial statements for the financial year ended 31 March 2022 are being sent to the members and others entitled thereto, excluding the details to be furnished under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which are available for inspection by the members at the Registered Office of the Company during business hours

on all working days up to the date of the ensuing Annual General Meeting. If any member desires to have a copy of the same, he may write to the Company Secretary in this regard.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, form part of this Report and are annexed as 'Annexure-E'.

ACKNOWLEDGEMENTS

Your Directors are thankful to all stakeholders including Customers, Bankers, Suppliers, Distributors, Dealers, and Contractors for their continued assistance, co-operation, and support. The Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company. The Directors are grateful for the confidence, faith and trust reposed by the shareholders in the Company. We are thankful to various agencies of the Central and State Government(s) for their continued support and co-operation.

For and on behalf of the Board

Place: Gurugram
Date: 20 May 2022

Ramakrishnan Ramamurthy
Chairman

ANNEXURE - A TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Brief outline of CSR policy of the Company.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company has on recommendation of the CSR Committee approved a CSR Policy.

Brief outline of the said Policy is given below:

- The overall objective of the CSR Policy of the Company is to promote sustainable development of the local communities with set targets and timeframes. The Policy focuses on mitigating the adversities faced by the communities and guiding them towards helping themselves.
- The Company takes up CSR activities in key sectors including but not limited to, healthcare, education, rural infrastructure development and environment, giving maximum freedom to the local communities and employees to evolve meaningful initiatives.
- The Company believes that supporting the development efforts of local community addresses the felt needs of the community and in return leads to greater ownership and involvement in maintaining the assets created.
- CSR initiatives are implemented through the Company's own employees. However, if required, the Company may also deploy appropriate agencies based on their proven credentials in the area of rural development to supplement its efforts.
- The CSR projects are implemented through committees comprising local Company officials at Damoh (covering Patharia, Narsingarh and Imlai), Jhansi and Ammasandra. The committees are chaired by the Plant Heads and have key officials representing Human Resources, Welfare and Administration functions at the local level as members.
- Proposals sent by the Implementation Committees are vetted by a committee at the Registered Office together with the financial allocation and thereafter the same are placed before the CSR Committee and the Board of Directors for consideration and approval.

The Policy is placed on the Company's website and the web link to access the same is:

<https://www.mycemco.com/investor-information>

2 Composition of CSR Committee as on 31 March 2022:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ramakrishnan Ramamurthy@	Chairman & Independent Director	2	1
2	Ms. Jyoti Narang@	Independent Director	2	1
3	Ms. Akila Krishnakumar#	Independent Director	2	2
4	Mr. Jamshed Naval Cooper	Member & Managing Director	2	2
5	Mr. Sushil Kumar Tiwari	Member & Whole time Director	2	2

@Appointed as a member of CSR Committee with effect from 18 August 2021

#Resigned with effect from 19 October 2021

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

The web-link to access composition of CSR committee, CSR Policy and CSR projects as approved by the Board are as under:

Composition of CSR Committee:

<https://www.mycemco.com/sites/default/files/PDF/ListofDirectorsandMembersofCommitteesoftheBoard.pdf>

CSR Policy:

<https://www.mycemco.com/investor-information>

CSR Projects: <https://www.mycemco.com/investor-information>



- 4 Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable. Not Applicable
- 5 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. INR 2.9 Million
- 6 Average net profit of the Company as per section 135(5) i.e., for last three financial years (FY2018-19, FY2019-20 and FY2020-21). INR 3769.4 Million
- 7 (a) Two percent of average net profit of the company as per section 135(5) INR 75.3 Million
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years Not Applicable
 (c) Amount required to be set off for the financial year, if any -
 (d) Total CSR obligation for the financial year (7a+7b-7c). INR 75.3 Million
- 8 (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (INR in Millions)	Amount Unspent (in Millions)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
80.5	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of Project activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (INR in Millions).	Amount spent in the current Year (INR in Millions)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (INR in Millions)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
			State	District					Name	CSR Registration number
NOT APPLICABLE										

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	State	Location of the project District	Amount spent for the project (INR in Millions)	Mode of implementation - Direct (Yes/No)	Name	Mode of implementation - Through implementing agency CSR registration number
1.	Expenditure towards Students in our schools coming from Nearby Villages	II	Yes	Madhya Pradesh and Karnataka	Damoh and Tumkur	5.58	Direct	-	-
2.	Scholarship to students and Distribution of educational kits	II	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	1.91	Direct	-	-
3.	Support to other schools at nearby villages	II	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	21.65	Direct	-	-
4.	Support to Anganwadi centres at nearby villages	II	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	0.92	Direct	-	-
5.	Organizing Health checkup camps including deployment of mobile van and provision of medicines	I	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	0.31	Direct	-	-
6.	Healthcare facilities improvement in Govt. Hospitals	I	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	8.45	Direct	-	-
7.	Community support against COVID -19	I	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	8.57	Direct	-	-



8. Operation of Sakshamta Vikas Kendra for skill enhancement and self-employment	II	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	4.80	Direct	-	-
9. Livestock Development Centre	IV	Yes	Madhya Pradesh	Damoh	1.20	No	BAIF Development Research Foundation	CSR00000259
10. Upgradation of veterinary hospitals in nearby villages	IV	Yes	Madhya Pradesh	Damoh	4.76	Direct	-	-
11. Infrastructure support for roads, cremation sheds, public toilets and other infrastructure work	X	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	19.39	Direct	-	-
12. Drinking Water facilities to villages	X	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	2.28	Direct	-	-
13. Promotion of Sports in Schools and for Youth in nearby villages	II	Yes	Madhya Pradesh	Damoh	0.59	Direct	-	-
14 Carrying out baseline survey of CSR activities	X	Yes	Uttar Pradesh	Jhansi	0.09	No	Angel Social Development and Research Association	CSR00005807
Total					80.5			

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) (INR in millions)	80.5
(g) Excess amount for set off, if any:	

Sr. No.	Particulars	Amount (INR in Millions)
(i)	Two percent of average net profit of the company as per section 135(5)	75.3
(ii)	Total amount spent for the Financial Year	80.5
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5.2
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5.2*

*In addition to the excess spending of INR 5.2 million during FY22, the Company also has carried forward amount of excess spending of INR 2.9 million in respect of FY21. Thus, the aggregate amount available for setoff during FY23 is INR 8.1 million.

9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (INR in Millions)	Amount spent in the reporting Financial Year (INR in Millions)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (INR in Millions)
				Name of the Fund	Amount (INR in Millions)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (INR in Millions)	Amount spent on the project in the reporting Financial Year (INR in Millions)	Cumulative amount spent at the end of reporting Financial Year (INR in Millions)	Status of the project - Completed / Ongoing
-	-	-	-	-	-	-	-	-

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details):	Nil
(a)	Date of creation or acquisition of the capital asset(s).	Not applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Not applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not applicable
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

Date: 20 May 2022

Place: Gurugram

Jamshed Naval Cooper

Managing Director

Ramakrishnan Ramamurthy

Chairman - CSR Committee



ANNEXURE - B TO THE BOARD'S REPORT

The Board of Directors
HeidelbergCement India Limited

Dear Sirs,

Sub.: Managing Director & CFO's Certification

1. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31 March 2022 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31 March 2022 which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (I) that there were no significant changes in internal control over financial reporting during the financial year ended 31 March 2022;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there are no instances of fraud of which we have become aware.

Place: Gurugram
Date: 20 May 2022

Jamshed Naval Cooper
Managing Director

Anil Kumar Sharma
Chief Financial Officer

ANNEXURE - C TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2022

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

To,

The Members of **HeidelbergCement India Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HeidelbergCement India Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2022, in accordance with the provisions of:

- I. The Companies Act, 2013 ("**the Act**") and the Rules made thereunder to the extent applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations as amended from time to time and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The Memorandum and Articles of Association of the Company;
- VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the review period);
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 with regard to dealing with the Company;
- f. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the review period);
- i. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the review period);
- j. Securities and Exchange Board of India (Issue and Listing of Non-convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable to the Company during the review period);
- k. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- l. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the review period).

VII. Other Laws which are applicable to the Company:

- The Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
- The Employees State Insurance Act, 1948.
- The Payment of Gratuity Act, 1972.
- The Labour Laws and Law relating to Payment of Wages.
- Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.



- Miscellaneous Acts:
 - a) The Water (Prevention and Control of Pollution) Act, 1974.
 - b) The Air (Prevention and Control of Pollution) Act, 1981.
 - c) The Environment (Protection) Act, 1986.
 - d) The Factories Act, 1948.
 - e) The Industries (Development & Regulation) Act, 1951.
 - f) The Explosives Act, 1884.
 - g) The Electricity Act, 2003.
 - h) Acts and Laws relating to Carrying out Mining Activities

VIII. Management has represented and confirmed the applicability and compliance of all laws as being specifically applicable to the Company, relating to Labour/ Pollution/Environment/Production process etc, apart from other general laws.

We have also examined compliance with the applicable clauses of:

- a. Mandatory Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Ministry of Corporate Affairs.
- b. Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

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

We further report that:

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

Adequate notice is given to all the Directors to schedule the meetings of the Board and Committees of the Board except where consent of the directors was received for scheduling meeting at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board and Committee meetings were carried out unanimously as

recorded in the minutes of the meeting of the Board of Directors or Committees as the case may be.

We further report that during the review period, the Company had declared a dividend of INR 8 per equity share of INR 10 each fully paid up (80% of the face value) for the financial year 2020-21 amounting to INR 1,812,904,928/-.

We further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company's Executives and taken on record by the Board of Directors / Audit Committee at their respective meetings, there are adequate systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The Company had allotted 10.4% Non-Convertible Debentures aggregating to INR 3700 million on 16th December 2013. These debentures were redeemable in three instalments at the end of 6th, 7th and 8th year from the date of allotment. Accordingly 1st & 2nd redemption instalment of INR 1250 million each were repaid on 16th December 2019 and 16th December 2020 respectively through internal accruals. During the review period, last and final instalment of INR 1200 million was paid by the Company on 16th December 2021 through the internal accruals.

We further report that there has been no instance of following during the audit period:

- Public/ Rights/ Preferential issue of shares/ Debentures/ Sweat equity.
- Buy-Back of securities.
- Major Decision taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- Merger/ Amalgamation/ Reconstruction etc.
- Foreign Technical Collaborations.

For Nityanand Singh & Co.,
Company Secretaries

Nityanand Singh (Prop.)
FCS No.: 2668 / CP No.: 2388
UDIN: F002668D000356417

Place: New Delhi
Date: 20 May 2022

Note:

This report is to be read with our letter of even date which is annexed as Annexure -1 and forms an integral part of this report.

To,

The Members of **HeidelbergCement India Limited**

ANNEXURE – 1

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

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

For Nityanand Singh & Co.,
Company Secretaries

Place: New Delhi
Date: 20 May 2022

Nityanand Singh (Prop.)
FCS No.: 2668 / CP No.: 2388
UDIN: F002668D000356417



ANNEXURE - D TO THE BOARD'S REPORT

Disclosure pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31 March 2022

Sr. No.	Disclosure requirement	Particulars
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22:	The ratio of the remuneration of Whole-time Director to the remuneration of median employee is 25.4:1
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22:	<p>The Non-Executive Directors of the Company including Independent Directors (IDs) are not paid any remuneration. IDs are paid only sitting fees for attending the meetings of the Board and its Committees. The details of sitting fee paid to IDs are mentioned in Corporate Governance Report. The remuneration of Mr. Jamshed Naval Cooper, Managing Director is borne and directly paid by HeidelbergCement AG. The Company does not pay any sitting fees / commission / remuneration to Mr. Cooper.</p> <p>Increase in remuneration of Whole-time Director, Chief Financial Officer and Legal Head & Company Secretary on Cost- to-Company (CTC) basis is given below:</p> <p>Mr. S.K. Tiwari, Whole-time Director -07%</p> <p>Mr. Anil Kumar Sharma, Chief Financial Officer - 07%</p> <p>Mr. Rajesh Relan, Legal Head & Company Secretary-07%</p>
3	The percentage increase in the median remuneration of employees in the financial year 2021-22;	7.7% (Only Staff Appraisal till 31 March 2022)
4	The number of permanent employees on the rolls of Company as on 31 March 2022;	1063 (Staff and Wageboard)
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in salaries of employees (other than managerial personnel) on CTC basis was 7.4%. Increase in managerial remuneration was also 7.0% on CTC basis. The overall increase is 7.4%.
6	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that remuneration has been paid as per the Nomination and Remuneration Policy of the Company, which is available on the website of the Company.

ANNEXURE - E TO THE BOARD'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) Energy conservation measures taken during the financial year ended 31 March 2022:

Reduction in specific power consumption through following initiatives:

- Optimisation of clinker and cement processes
- Optimised power supply from waste heat recovery system
- Installation of AFR system at Narsingarh, Damoh
- Replacement of traditional luminaries with energy efficient LED lights
- Installation of Expert system

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Reaping the benefits of IEX & Renewable Wind Power at Ammasandra, Narsingarh and Jhansi Plants.

- Installation of 5.5 MW solar power system (aggregating approx 10 Gwh pa) at Patharia, Damoh.
- Sourcing ~ 15 MW Solar power (aggregate approx 22 Gwh pa) for Jhansi plant w.e.f April 2022.
- Sourcing solar power at Ammasandra aggregating approx 10 Gwh pa.

Installation of AFR system at Narsingarh, Damoh to utilise waste from municipalities/ agriculture and industries in kilns thus saving fossil fuels and reduce CO2 emission.

(iii) Capital investment on energy conservation equipment:

The Company has invested ~ INR 195 million in FY2021-22 towards installation of AFR system and sourcing renewable power at Narsingarh and Jhansi. These initiatives are listed at A(i) above.

B. Technology Absorption

(i) Efforts made towards Technology Absorption:

- a. Use of alternative fuels by installation of AFR system.
- b. Adaptation to best practices and processes of HeidelbergCement Group under WOK/ CIP, thus reaping the benefits of their global expertise.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- a. Power generated by the WHR plant was optimized.
- b. Reduction of per unit cost of power by use of renewable and IEX power.
- c. Optimization of the process fans in the kiln and other areas in order to reduce the specific Power consumption.
- d. Reduction of specific consumption per unit of clinker or cement produced thus reduction in cement cost.
- e. Adaptation of best practices and processes of HeidelbergCement Group under WOK/ CIP enabled the Company to carry out in-house modifications and improvements.

(iii) Information regarding technology imported during last 3 years: Nil

(iv) The expenditure incurred on Research and Development: Nil

C. Foreign Exchange Earnings & Outgo

Total foreign exchange used and earned: (INR in Million)

	Financial Year ended 31.03.2022	Previous Financial Year ended 31.03.2021
Foreign exchange used:		
- Imports	68.5	65.2
- Expenditure	390.4	524.0
Total	458.9	589.2
Foreign exchange earnings:	2.6	0.7



MANAGEMENT DISCUSSION AND ANALYSIS

Global & Indian Economy at a glance

Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
											Est.	Est.
A. World Output / Real GDP (Annual percent change)												
World	3.6	3.4	3.5	3.4	3.3	3.7	3.6	2.9	-3.1	6.1	3.6	3.6
- Advanced Economies	1.2	1.4	2.0	2.3	1.8	2.5	2.3	1.7	-4.5	5.2	3.3	2.4
- Emerging Market & Developing Economies	5.4	5.0	4.7	4.3	4.4	4.7	4.6	3.7	-2.0	6.8	3.8	4.4
India	5.5	6.4	7.4	8.0	8.3	6.8	6.5	3.7	-6.6	8.9	8.2	6.9
B. Inflation: Consumer Prices (Annual Percent change)												
World	4.1	3.6	3.2	2.7	2.7	3.2	3.6	3.5	3.2	4.7	7.4	4.8
- Advanced Economies	2.0	1.4	1.4	0.3	0.7	1.7	2.0	1.4	0.7	3.1	5.7	2.5
- Emerging Market & Developing Economies	5.8	5.5	4.7	4.7	4.3	4.4	4.9	5.1	5.2	5.9	8.7	6.5
India	10.0	9.4	5.8	4.9	4.5	3.6	3.4	4.8	6.2	5.5	6.1	4.8
C. Current Account Balances (Percent of GDP)												
- Advanced Economies	0.1	0.5	0.5	0.6	0.8	1.0	0.8	0.7	0.4	0.7	-0.1	0.0
- Emerging Market and Developing Economies	1.2	0.5	0.5	-0.3	-0.3	-0.1	-0.2	0.0	0.5	0.9	1.5	0.9
India	-4.8	-1.7	-1.3	-1.1	-0.6	-1.8	-2.1	-0.9	0.9	-1.6	-3.1	-2.7
D. World Trade Volume (Annual percent change)												
	3.1	3.5	3.8	3.0	2.3	5.6	4.0	0.9	-7.9	10.1	5.0	4.4
E. Commodity Prices (Annual percent change)												
- Oil	0.9	-0.9	-7.5	-47.2	-15.7	23.3	29.4	-10.2	-32.7	67.3	54.7	-13.3
- Non-fuel (Primary Commodities)	-7.6	-5.8	-5.5	-17.1	-0.4	6.4	1.3	0.7	6.8	26.8	11.4	-2.5

Source: World Economic Outlook (April 2022) published by International Monetary Fund (IMF) and Website of Reserve Bank of India.

Note: For India, data and forecasts are presented on a fiscal year basis. India's GDP is based on GDP at market prices with fiscal year 2011/12 as base year.

A. Global Economy

The global economic contraction of -3.1% in 2020 was unprecedented. The year 2021 started on a positive note due to rapid vaccination drive, phased quarantines, relaxation in lock downs and gradual opening-up of sectors. In 2021, the global economy witnessed GDP growth of 6.1% despite several odds such as disruptions in supply chain, high-inflation, emergence of new variants of Covid-19, financial assistance, and debt relief to economies under stress. In comparison, the GDP projections for 2022 and 2023 are pegged at 3.6% in view of continuation of COVID-19 variants, financial crisis in some countries, Russia-Ukraine war, high fuel prices, inflation, and rising interest rates etc.

The impact of Russia – Ukraine war on the global economy is onerous. There has been an unprecedented increase in oil prices due to sanctions imposed by USA and its allies, abrogation of SWIFT transactions to and from Russia, freezing of Russian assets in the west, MNCs exiting Russia etc. Russia has also countered these measures by implementing Russian Rouble – local currency trade, discounts on Russian oil, inviting capital from neutral countries on its eastern borders and deploying additional forces along non-NATO countries of Western Europe.

The central banks across the world are taking policy measures to taper down the extraordinary liquidity that was pumped in to support the economy during the pandemic and are also tightening their monetary policy to rein in runaway inflation.

B. Indian Economy

In FY22, India managed to reach the real GDP of INR 147.72 trillion an increase of around 8.7% despite lockdowns. The GDP now exceeds the FY20 pre pandemic levels after suffering a dip in FY21. Share of manufacturing sector increased by around 2.3% whereas agriculture and services suffered a dip of 1.4% and 0.9% respectively compared to the previous financial year.

The second wave of pandemic necessitated Government of India to take measures such as simplifying processes, removal of retrospective taxes, increased spending on infrastructure, introduction of production-linked incentive schemes, enhancing the defence budget, speeding up vaccination drive, poverty/hunger alleviating programmes and so forth. However, global supply chain disruptions, fuel price hikes, rising inflation took a toll on Indian economy. The silver lining is that export-focused sectors have gained from recent developments in global trade as well as government initiatives to showcase India as an attractive investment destination to global corporations who are presently exploring options to de-risk their supply chains.

C. Indian Cement Industry

C.1. Capacity and Demand

Buoyed by the recovery and government's impetus on infrastructure and housing sector, some cement companies have announced plans to increase capacity. Presently the installed cement manufacturing capacity in India is 545 Mn T out of which southern region has 34%, eastern 20%, northern 19%, western 14% and central India 13% share approx. In FY22, capacity utilization remained subdued at ~66%.

In the Union Budget for FY23 the Government of India has announced several projects under the aegis of PM Gatishakti National Master Plan that will transform railways, roads, ports, waterways, airports, mass transport, logistics infrastructure (cargo terminals) for which INR 200 billion has been allocated. Further, an outlay of INR 14 billion for Ken and Betwa river linking project in the Bundelkhand region to mitigate drought and floods.

Around 8 million houses will be constructed under the PM Awas Yojana thus augmenting the capacity utilization of the cement sector. There is widespread optimism in the sector and we believe that normalcy will return soon.

C.2. Input Costs

After the reopening of the economy from November 20, FY22 was soon engulfed under the severe second wave of pandemic, causing another bout of lockdowns. The result was another hard impact on world economies and your Company was no exception. We faced

widespread blockades in the supply chain and increase in price of major inputs viz., coal and pet-coke. Despite adversities such as halting of mining activities and ships stranded at ports due to inclement weather / lockdown, the Company was able to procure locally from time to time while mitigating abnormal cost increases.

The Company faced challenges in procurement of coal due to its short supply within the Country coupled with mining disruptions in Australia and South Africa. Consequently, we had to increase reliance on pet coke and also constantly changed the fuel mix to achieve cost optimization. Unabated increase in price of crude oil resulted in increase of cost of packaging bags and freight cost. Frequent stoppages of power plants, due to shortage of coal as well as low power demand amid lockdowns, led to reduced fly ash generation thus compelling us to source fly ash from distant locations to be able to ensure uninterrupted production of Portland Pozzolana Cement.

We focused on various cost control measures such as renegotiating existing contracts, bundling contracts for additional discounts, extending annual service contracts etc., to ensure uninterrupted supply of raw materials, spares and provision of services.

C.3. Price and Earnings

The industry is likely to go through an unprecedented terrain due to the aftermath of Russia - Ukraine war. We are witnessing steep rise in raw material costs that would not be easy to pass on to the consumers given the highly competitive environment. Moreover, due to hike in the prices of other building materials viz., steel, aggregates, sand, paints etc., the consumers are feeling the heat and are also postponing their construction activities. The organized real estate sector has also raised concerns about the rising cost of building materials. The mid-size contractors and the ones without escalation clause in their contracts are also going slow in executing ongoing projects.

Going forward, the demand is likely to pick up given the government's focus on infrastructure projects and various programs for rural development. We expect growth in rural income due to good rabi crop which augurs well for cement demand.

C.4. Opportunities

Demand for the industry can be attributed to three main sectors viz.

- **Housing & Real Estate:** Around 8 million units to be built under Pradhan Mantri Awas Yojana in



FY23, initiatives to increase farmer's income, higher budgetary allocation for agriculture and irrigation facilities combined with a healthy rabi crop should assist demand from rural housing.

- **Public Infrastructure:** INR 1991 billion sanctioned for the development of 25000 km expressways. PM Gatishakti Yojana in ports, roads, rail, waterways, airways, mass transport system, logistics cargo terminals will form the backbone of Indian supply chain. River linking projects that will benefit 0.9 million hectares of agricultural land, INR15 billion allocated for infrastructure push in north - east states of India, developing villages in border areas are some of the programs that will increase cement demand.
- **Industrial Development:** INR 195 billion allocated for solar power, INR 87 million for drinking water schemes, opening of defense sector for private participation with government of India, announcement regarding procurement of 68% of defense equipment from Indian manufacturers, investments in low carbon technology, 280 GW solar power generation by 2030. All these investments are expected to promote indigenous manufacturing and ancillary facilities that will not only increase demand for cement but also generate employment raising the consumer spending.

The Company foresees a positive scenario for the cement sector.

C.5. Threats

The present uncertainty is emanating from the COVID-19 pandemic, inflation, and fuel price surge due to ongoing Russia – Ukraine war and the same is leading to a situation of global supply shock. The supply side inflation is uncontrollable by the Central Banks unless there is a global agreement. Unfortunately, the world is now split into several power blocks and therefore, a consensus in this regard looks unlikely.

Supply & pricing of key cementitious materials like Slag and Fly Ash too continues to be a challenge. Slag prices are up by 25% as the input costs of steel Industry have gone up. The utilisation factor of coal-based thermal power plants in India is consistently falling thus impacting fly ash availability and increase in its price due to demand supply mismatch.

C.6. Outlook

Cement industry follows the GDP trajectory. It has been estimated by IMF that the GDP rates in FY22 and FY23 would be around 8.2% and 6.9% respectively. We are therefore taking a conservative approach of 6-7% growth in FY23 dependent on how the COVID situation pans out.

The government's spending on major Gatishakti projects, infrastructure, and affordable housing schemes are expected to be the primary growth drivers. We remain hopeful of a turnaround in the economy positively influencing the cement demand.

D. Company Review - Operational and Financial Performance

During FY22, the Company produced 4.75 million tonnes of cement compared to 4.53 million tonnes during the financial year ended 31 March 2021 (FY21), an increase of 4.85%. Cement sales during the year were 4.78 million tonnes compared to 4.49 million tonnes in FY21, an increase of 6.46%. The capacity utilization stood at 75.87% compared to 72.36% in FY21.

A snapshot of the Company's financial performance for FY22 vis-à-vis FY21 is as under:

Particulars	(INR in million)	
	FY22	FY21
Revenue (Net of Excise Duty / GST)	22,969.6	21,166.7
Power & Fuel Cost	6,424.2	4,880.2
Freight and forwarding expenses	2,957.1	2,773.7
EBITDA (including other income)	4,836.2	5,531.0
EBIT	3,715.7	4,420.7
Finance Cost	364.4	508.5
Net Profit after Tax	2,522.6	3,149.5
Earnings Per Share (EPS) - INR	11.1	13.9
Book Value Per Share - INR	69.1	65.9

The Board of Directors has recommended Dividend of INR 9 per equity share of INR 10 each (90%) for FY22 (INR 8 per share for FY21), subject to the approval of the shareholders at the ensuing AGM. The figure of interest-free loan remains unchanged at INR 2,346 million. The Company had allotted 10.4% Non-Convertible Debentures aggregating to INR 3700 million on 16 December 2013. These debentures were redeemable in three instalments at the end 6th, 7th and 8th year from the date of allotment. During FY22 the Company has through its internal accruals repaid final redemption instalment of Rs. 32,43,243.24 per Non-Convertible Debenture (NCD) on 370 NCDs aggregating to INR 1,200 million on 16 December 2021. After the aforesaid repayment of final redemption instalment, the aforesaid NCDs stand fully redeemed. The Debt- Equity ratio at the end of FY22 stood at 0.12:1 compared to 0.20:1 at the end of FY21.

Snapshot of some of the key financial ratios are given below:

Particulars	FY22	FY21	Change
Debtors Turnover (Days)	4.66	4.02	15.97%
Inventory Turnover (Days)	8.09	8.08	0.14%
Interest Coverage Ratio	19.64	15.31	28.28%
Current Ratio	1.42	1.09	30.43%
Debt Equity Ratio	0.12	0.20	-38.35%
Operating Profit Margin (%)	19.38	24.21	-19.97%
Net Profit Margin (%)	11.25	15.05	-25.26%
Return on Net Worth (%)	16.49	23.96	-26.47%

The changes in above-mentioned ratios are primarily on account of consequential effect of Covid-19 pandemic on the Company's business and operations, increase in cost of raw materials leading to an unprecedented increase in variable cost and repayment of debt.

Digitization initiatives:

The Company's focus on digitization is aimed at reducing cost, eliminating human error and increasing customer satisfaction. A snapshot of the digitization drive is given below:

Project	Scope	Benefits
Sales Force Application	- Real time sales data - Compilation of Market Information	- Facilitates analysis & quick decision making - Customer satisfaction
Dealer's Portal	- Platform for customers to access real-time business information	- Supports decision making - Acknowledgement of cement receipt by the customer
Plant & Expert System	- Plant operation monitoring and availability of real-time data for preventive purpose	- Better preventive maintenance - Facilitates remote monitoring - Reduction in power consumption

E. Product Performance and Customer Relations

Customer delight is paramount for us. We believe in providing the best product and services to our customers and this blends well with our organizations resolve to remain customer centric. We communicate and connect with our customers on a regular basis to understand and address their needs. The Company has deployed a slew of measures such as a dedicated Customer Service Department, sensitizing and training employees to enable them grasp and address consumer needs.

We have a qualified and trained team of Civil Engineers who visit construction sites and guide customers about building durable houses. We assist customers in selection of quality building materials, training masons and contractors to adopt best construction practices. Sales Team continuously

strives to train our channel partners to meet customer expectations. Company's flagship brands "mycem" and "mycem-power" enjoy a top-of mind recall in most parts of Central India and its mascot "Chutkoo" is seen as a harbinger for durable construction. The Company has recently launched a new brand- "mycem-primo" in central India which has been well accepted by the consumers.

Our mobile technical labs continue to demonstrate best construction practices to end consumers at their site. These labs are being scaled up to further enhance customer delight. Customers are sensitised about best construction practices, giving elementary explanation through videos that are also available on YouTube / circulated through other social media platforms.

F. Business Risks and Concerns

The Company's management meets periodically to take stock of the risks emanating from external and internal factors. Major risks are either covered through strategic planning whereas some are covered via insurance.

Major business risks and their mitigation strategies are as follows:

I. **Economic Risk:** The warring clouds over Europe, sanctions on Russia, supply disruptions of petrochemicals, shortage of spare parts and persuading India to agree to some of the sanctions are the immediate risks that we foresee in FY23. There are still global supply disruptions for critical material - notably fuel.

Mitigation Measure: We are relying on advance contracts for supply and maintaining adequate inventory of essential spare parts. We strive to pass on the increased costs of materials to the customers to the extent possible.

II. **Supply Risk:** Fuel prices are internationally rising - oil, petcoke and imported coal, due to external factors outside of India notably war and sanctions on the major oil producing country Russia. Due to lowering of power demand there was reduction in generation of fly ash by nearby power plants.

Mitigation Measure: We are relying on advance contracts for fuel supply and stocking up on essential spare parts. We are sourcing fly ash from various smaller and far off power plants to meet our requirements. Depending on the supply-demand situation, the additional cost of materials will be either absorbed or passed on to the consumers.

III. **Freight Cost Risk:** Cement is a low-value high-volume product; therefore, logistics becomes a significant component in its overall cost. Rail and truck availability or increase in fuel costs could swing the margins significantly.

Mitigation Measure: The Company's Rail-Road mix currently stands at about 55:45. Warehouse optimization and continuing measures to control logistics costs remains a focus area for the Company.



IV. Competition Risk: With varying impact of the pandemic in different regions, the cement demand too has shown unprecedented alterations. This has led to new brands from distant regions entering new markets.

Mitigation Measures:

- Increasing % contribution of premium products & Trade Sales.
- Balancing growth between distant and home markets.
- Aligning service team to hand hold the independent home builders during the various construction phases.
- Addition of new channel partners.

G. Internal Control Systems

The Company has a well-structured and effective internal control system. There is a robust IT enabled compliance system in place that keeps the management up to date on the status and forthcoming compliances.

A risk based annual audit plan is discussed and approved by the Audit Committee. The Audit Plan is aimed at evaluation of adequacy of internal control systems and compliance thereof, robustness of internal processes and procedures ensuring sound business practices, safeguarding Company's assets, compliance with laws and regulations, accuracy in financial reporting and completeness in maintaining records.

Based on reports of internal audit function, process owners undertake corrective actions, while material observations, if any, are placed before the Audit Committee. Statutory auditors have also audited the internal controls over financial reporting and have opined that the same are adequate and are operating effectively.

The Company ensures that well-structured and effective controls remain in place that are commensurate with the size of its operations.

H. Human Resources

Covid-19 preventive measures: As Covid started losing some of its deadly sting, the Organization relaxed some of the Covid-19 protocols in the Company. To mitigate the impact of Covid, we balanced our office attendance modulating between Work from home to office working in staggered manner. Finally we resumed normal office working from August 21. We continue to extend the facility of "work from Home" to those employees, whose family members were detected with Covid 19 and keep our workplace safe and healthy. The families of the victims of Covid-19 continue to get support from the Company,

Cautionary Statement

Statements in the Management Discussion and Analysis Report, which describe the Company's objectives, projections, estimates, expectations or predictions, may be considered to be "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however materially differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian political, economic and demand-supply conditions, finished goods prices, raw materials cost and availability, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Policies, tax regimes, economic developments within India besides other factors such as litigation and industrial relations as well as the ability to implement strategies. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

wherein a certain percentage of the deceased employee's salary is paid to the concerned family as a humble support in their time of crisis. Apart from the above, free schooling to the children of such families in our colony schools is being provided, wherever applicable.

HR Digitization initiatives: The Contract Labor Management System went live in 2021 providing more efficiency and control in Labor management and wage payments. We will soon start seeing cost efficiency kicking in with better data management and analysis. As part of the group digitization and standardization initiative, HR digitization-HR 4.0 was launched in the Company. This will be the single source for all employee data with many analytical tools available for more efficient and cost-effective working.

No. of Employee Development and Middle Management Succession Planning: The Company has been efficiently creating a talent pipeline through succession planning at senior levels, which has been extended to the middle management during the year in close coordination and discussions with the Plants and Sales teams. This will optimize our talent requirements and provide more nimbleness and flexibility in internal employee movements.

Over 65% of the employees received development focus with 115 internal and external training programs conducted during the year.

Workmen, for the first time experienced off-site training, with the first batch getting trained on behavioral aspects.

Talent Acquisition and Development: The Company provided growth opportunities to many employees and filled up vacancies from within which also helped in containing costs. Almost 17% of the vacancies were filled up through internal progression and enabled aspiring candidates to fulfill their career ambitions.

Over 100 new people joined the Organization during the year given thrust to talent renewal and knowledge enhancement for the Organization.

Employee Reward and Recognition: Employee reward and recognition continues with on-line evaluations, employees/teams of the month schemes, sales incentive programs. The employee cost to revenue reduced marginally during the year.

Employee engagements and Employee relations: The Company had 1,063 employees on its rolls as on 31 March 2022. Many employee engagement programs were conducted during the year, including celebrations, sports activities and cultural festivities. The employee relations remained cordial across locations throughout the year.



BUSINESS RESPONSIBILITY REPORT

“You cannot evade the responsibility of tomorrow by evading it today”

- Abraham Lincoln

Being aware and sensitive towards the society and environment have always remained a necessity calling upon us to demonstrate increasingly responsible behavior as the world evolves. Across the globe, business ecosystems are getting aligned to deliver sustainable development with greater social accountability at the same time managing financial performance thus making the process a holistic one.

As a responsible business enterprise, HeidelbergCement India Ltd. (the “Company”) has always pursued the highest ethos of corporate responsibility and governance, often transcending the regulatory threshold. Cognizant of its responsibilities towards the society and the environment, the Company has consistently shaped its business strategies keeping sharp focus on sustainability.

In line with the guidelines of the Securities and Exchange Board of India (SEBI) the Company is hereunder presenting its Business Responsibility Report for FY2021-22:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S.No	Particulars	Remarks												
1.	Corporate Identification Number	L26942HR1958FLC042301												
2.	Name of the Company	HeidelbergCement India limited												
3.	Registered Address	2nd Floor, Plot No. 68, Sector-44, Gurugram, Haryana-122002. Phone No.: 0124-4503700												
4.	Website	www.mycemco.com												
5.	E-mail id	investors.mcl@mycem.in												
6.	Financial year reported	1 April 2021 to 31 March 2022												
7.	Sector(s) that the company is engaged in (industrial activity code wise):	<table border="1"> <thead> <tr> <th>Group</th> <th>Class</th> <th>Sub-class</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>239</td> <td>2394</td> <td>23941</td> <td>Manufacture of</td> </tr> <tr> <td></td> <td></td> <td>23942</td> <td>clinker and cement</td> </tr> </tbody> </table>	Group	Class	Sub-class	Description	239	2394	23941	Manufacture of			23942	clinker and cement
Group	Class	Sub-class	Description											
239	2394	23941	Manufacture of											
		23942	clinker and cement											
	(Source: National Industrial Classification Code (NIC))													
8.	List three key products/services that the company is manufacturing/ provides (as in balance sheet)	The Company manufactures only two kinds of cement: Portland Pozzolana Cement; and Portland Slag Cement.												
9.	Total no. of locations where business activity is undertaken by the Company.	National locations: Two Integrated Cement Units and a Grinding plant, Registered Office in Gurugram (Haryana) and Regional Marketing Offices and Sales Offices in the States of Madhya Pradesh, Uttar Pradesh, Bihar, Uttarakhand, Karnataka and Kerala. International locations: Nil												
10.	Markets served by the Company	<table border="1"> <thead> <tr> <th>Local</th> <th>State</th> <th>National</th> <th>International</th> </tr> </thead> <tbody> <tr> <td>√</td> <td>√</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Local	State	National	International	√	√	-	-				
Local	State	National	International											
√	√	-	-											



SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	INR 2,266.2 million
2. Total turnover (INR)	INR 22,969.6 million
3. Total profit after tax (INR)	INR 2,522.6 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax (%)	INR 80.5 million (more than 2% of the average net profits of last three financial years).
5. List of activities in which expenditure in 4 above has been incurred	a) Education b) Healthcare c) Rural Development

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

The Company does not have any subsidiary company.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) initiatives of the parent company? If yes, then indicate the number of such subsidiary companies:

Not Applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

The other entities with which the Company does business viz., suppliers, distributors etc., don't participate in the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1) Details of Director(s) responsible for BR

a). Details of Director responsible for implementation of BR policy(ies):

S.No.	Particulars	Details
1.	DIN number	01527371
2.	Name	Mr. Jamshed Naval Cooper
3.	Designation	Managing Director

b). Details of BR head:

S.No.	Particulars	Details	Details
1.	DIN number	03265246	09561918
2.	Name	Mr. Sushil Kumar Tiwari (upto 09 June 2022)	Mr. Vimal Kumar Jain (With effect from 10 June 2022)
3.	Designation	Whole-time Director	Whole-time Director
4.	Telephone	0124 – 4503700	0124 – 4503700
5.	E-mail id	sk.tiwari@heidelbergcement.in	vimal.jain@heidelbergcement.in

2) Principle-wise (as per NVGs) BR Policy / policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs have identified nine areas of Business Responsibility which have been coined in the form of nine business principles. These principles (P1 to P9) are as under:

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.

P3 Businesses should promote the well-being of all employees.

P4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights.

P6 Businesses should respect, protect and make efforts to restore the environment.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y / N):

S. No.	Question	Ethics, Transparency and Accountability	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	Inclusive Growth (CSR)	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies on the BR principles?	Y	Y	Y	Y	Y	Y	NA1	Y	NA2
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	NA
		The relevant policies have evolved over a period of time with inputs from the concerned internal stakeholders and representatives of external stakeholders, wherever relevant.								
3	Does the policy conform to any national / international standards? If yes, specify?	The spirit of the Code of Conduct and the applicable laws and standards are captured in the policies formulated by the Company. The policies are based on and are in compliance with the applicable regulatory requirements.								
4	Has the policy been approved by the Board?	Y	Y3	Y3	Y3	Y3	Y3	NA	Y	NA
	If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	NA
5	Does the company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	NA
6	Indicate the link for the policy to be viewed online?	Y4	Y5	Y5	Y5	Y5	Y5	NA	Y4	NA
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to the key internal stakeholders of the Company. The communication is an on-going process.								
8	Does the company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	NA	Y	NA
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	NA	Y	NA
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	As part of compliance with the ISO standards adopted by the Company, an external agency evaluates the implementation of the ISO standards on annual basis. Apart from this, the Company also undertakes periodical reviews to ensure adherence to various policies.								



1. Public Policy: For advocacy on matters relating to the cement industry, the Company works through various trade/industry associations such as CII, CMA, SICMA and GCCA.
2. Customer relations: The Company has adopted a customer centric approach which in turn delivers high level of customer satisfaction and generates customer loyalty. The Company stands fully committed to supply technically superior products to its customers as well as provide integrated solutions through its technical services team for sustainable construction practices. The Company also has a customer complaint redressal system.
3. The Board has taken note of the Policy in this regard.
4. These Policies are available on the website of the Company at the following links:
https://www.mycemco.com/sites/default/files/PDF/Policies/Code_of_Conduct.pdf
https://www.mycemco.com/sites/default/files/PDF/Policies/HCIL_CSR_Policy.pdf
5. These Policies are available on internal portal, which can be easily accessed by employees of the Company.

b) If answer to question at Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principle(s).	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task.	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year.	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify).	-	-	-	-	-	-	-	-	-

3) Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Managing Director and top management review the BR performance of the Company during the monthly review meetings. The action points that emerge from discussions at these meetings are recorded, implemented and reviewed in the subsequent meetings. The CSR Committee and the Board also reviews the social performance of the Company on half-yearly basis. The Board reviews the Business Responsibility performance of the Company on annual basis.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report of the Company is published as part of Annual Report. The report can be accessed at <https://www.mycemco.com/financial-results>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

The Company's Code of Conduct (the "Code") requires the employees to act with high standards of personal and professional ethics, integrity and compliance with the applicable laws. The Company ensures that every new recruit understands and appreciates the necessity to adhere to its Code of Conduct rules as they go through the induction training programme. The Code is readily accessible on the Company's website and intranet. The Code and the Anti-corruption Policy of HeidelbergCement Group (which has been adopted by the Company) defines and deals with transgressions such as deception, bribery, forgery and corruption. Adequate measures are taken to sensitize, educate and train employees, suppliers and other stakeholders about the Company's expectations on ethical conduct.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Code relating to ethics, bribery and corruption covers the Company only. The Company does not have any joint ventures in India. The Company encourages its affiliates operating in India to follow the principles envisaged in the Code. The Company also has a Suppliers' Code of Conduct which must be signed by each supplier as part of the usual contract documents before transacting any business with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During FY22, two complaints were received from shareholders which were satisfactorily resolved. No complaint was received under the Vigil Mechanism/ Whistle Blower Policy.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

1. Portland Pozzolana Cement
2. Portland Slag Cement

The Company manufactures only two kinds of cement stated above, meaning thereby that 100 percent of Company's products are covered in this category.

As an active member of Global Cement and Concrete Association (GCCA), the Company stands fully committed towards sustainable development of its business activities with focus on safety, health and environment. Steps are continuously taken for reducing carbon footprint through reduction of specific power consumption and specific fuel consumption and increased usage of cementitious materials like fly ash and slag.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product:

a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Alternate materials like fly ash, chemical gypsum, slag etc., are used during production process which help in conserving natural raw materials. Alternative fuels are used to produce clinker which lead to reduction in consumption of fossil fuel. The Company also recycles

waste water and has also made arrangements for rainwater harvesting and recharging of ground water. The reduction in specific power and fuel consumption is highlighted below:

Consumption per unit of production	FY (2021-22)	FY (2020-21)
Electrical Energy (kwh)/ Tonne of Cement)	70.86	71.98
Coal and other Fuels (k Cal/Tonne of Clinker)	748.01	749.49

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The cement produced by the Company conforms to the BIS parameters and is purchased by numerous consumers to meet their construction related needs. Therefore, it is not possible for the Company to ascertain the reduction in the energy/water consumption during its usage.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has systems in place for sustainable sourcing of materials and their transportation. Limestone is the primary raw material for manufacturing of cement. The Company uses latest mining techniques to stay cost effective in its operations and avoid wastage. The transportation of limestone from Patheria mines to Narsingarh Clinkerisation plant is done in a sustainable manner via 21 km long Overland Belt Conveyor (OLBC). Despite being capital intensive, OLBC has proven advantage over conventional road transportation when it comes to reduce carbon footprint at the same time reduce logistics cost. In order to optimise and thereby conserve Limestone, the Company has been producing blended cement only, i.e producing more cement from every ton of clinker it produces. Consequently, the life of the mines is also getting extended.

With a belief that sustainable transportation is attained through less polluting and fuel-efficient transportation mix, most of the inward transported bulk material are by rail.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding the place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company accords priority to local suppliers, wherever possible. Goods and services like



horticulture, housekeeping, contract labour, general maintenance, canteen and other similar services are sourced locally. The Company's contractors deploy labour from nearby communities, who are trained for carrying out the job at the same time understand and adhere to Company's health and safety priorities before commencing work.

- 5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company efficiently uses industrial waste such as flyash, blast furnace slag, ink sludge, chemical gypsum, etc. as well as solid municipal waste to substitute the raw materials and fuel required to produce cement. Additionally, the Company utilizes the waste heat generated by the clinkerisation lines to generate power at its Narsingarh Plant.

Principle 3: Businesses should promote the well-being of all employees.

The company treats its human capital as most vital asset. Making available a safe workplace, friendly policies, growth and learning opportunities, and a good work-life balance to employees features high on the Company's priorities. The Company ensures that safety policies are adhered to even by the outsiders / contract labour.

- 1. Please indicate the Total number of employees.**

The total number of employees as on 31 March 2022 were 1063.

- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

Total number of employees hired on temporary/contractual/casual basis as on 31 March 2022 were 3361.

- 3. Please indicate the Number of permanent women employees.**

The Company had 19 permanent women employees as on 31 March 2022.

- 4. Please indicate the Number of permanent employees with disabilities.**

There are no employees in the Company with disabilities.

- 5. Do you have an employee association that is recognised by the management?**

Yes, the Company has recognized unions affiliated to various trade unions' bodies.

- 6. What percentage of your permanent employees are members of the recognised employee associations?**

All the workmen (382 numbers) comprising 35.93% of the total permanent employees are members of recognized unions.

- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

The Company did not receive any complaint pertaining to child labour, forced labour, involuntary labour or sexual harassment during FY22.

- 8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Safety of the employees is paramount to the Company. It is mandatory for new employees to undergo safety trainings, including firefighting training as part of their induction process. Company has identified 24 risks relevant to cement industry for which safety training is provided to shop floor workers and supervisors throughout the year. Under the "Safety Star" programme, workmen who demonstrate exemplary Safety behavior are rewarded and their contributions are recognized in public. The Company strives to cover majority of its employees under various training programmes. In view of the risk of COVID-19 in FY22, many trainings were conducted through video conference instead of usual classroom training sessions. The coverage of the Company's training programmes is given below:

a) Permanent Employees	65%
b) Permanent Women Employees	60%
c) Casual / Temporary / Contract Employees	45-50%
d) Employees with Disabilities	NA

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Identifying the stakeholders and engaging with them to understand their needs is an essential part of our sustainability plan.

- 1. Has the Company mapped its internal and external stakeholders? Yes/No.**

Yes, the Company has established processes for identifying and engaging with stakeholder groups. Internal and external stakeholders of the Company comprise employees and their families, shareholders, local community, regulatory authorities, C&F agents, dealers, suppliers and customers.

- 2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

The Company has identified the communities around its manufacturing units as the disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in about 50 words or so.

The Company contributes to the economic and social development of the local community through a slew of measures such as healthcare camps, education, community development, school supplies, vocational studies, sanitation, drinking water facilities, roads and other activities. Participation of local community is encouraged to strengthen the bond and create ownership and involvement for maintaining the assets created through its CSR projects.

Principle 5: Businesses should respect and promote human rights.

According to international conventions, the term 'human rights' covers a host of aspects including freedom of association, collective bargaining, non-discrimination, gender equality, avoidance of child and forced labour among others. The Company acknowledges the necessity of respecting human rights to be able to nurture a fair and just society and comply with the applicable laws governing the human rights as well as its own policy formulated in this regard.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures /Suppliers /Contractors/ NGOs/Others?

The Human Rights Policy of the Company covers the aspects relating to human rights such as prevention of child and forced labour, compliance with occupational health and safety standards and the principles of non-discrimination at workplace. The Company does not have any joint venture in India. However the Company encourages its affiliates operating in India as well as its suppliers and contractors to follow the same.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company did not receive any stakeholder complaint relating to human rights in FY22.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

Respecting, protecting and conserving the environment are integral part of Company's operations. Incorporating eco-friendly measures, including adopting best in class technology and processes and ensuring optimal utilization of resources, helps us to make effective contribution towards this objective. Emphasis is laid on Repair, Reuse and Recycle to the maximum extent possible.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others?

The Policy on Environment covers the Company only as the Company does not have any joint venture in India. The Company annexes requirements on environment protection and compliance with the applicable regulatory requirements along with the contracts executed with its vendors. The Company also encourages its affiliates operating in India to follow the same practice.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyperlink for web page etc.

The company's carbon footprint during FY 2021-22 was 517.20 kg of CO₂/ton of cement produced by HCIL and 843.15 kg of CO₂/ton of Clinker. During FY22, we have consumed ~34.93% of fly ash in producing PPC cement & ~53.15% of slag in producing PSC cement which has helped in reduction of clinker incorporation ratio in cement production. The Company has a roadmap to reduce its CO₂ footprint which is monitored and is a part of KPIs for the management.

The Company is a member of the Global Cement and Concrete Association (GCCA). This engagement enables us to get a richer perspective of the global environmental and climate change initiatives. The Company has addressed environment and climate change issues with clear goals, targets and achievements. The Company proactively measures its carbon footprint as per GCCA - CO₂ protocol. The details of initiatives taken by the Company in this regard are available on the Company's website at the link: <https://www.mycemco.com/enviroment>.

3. Does the Company identify and assess potential environmental risks? Yes/No

The Company has put systems in place to ensure continuous monitoring of potential environmental risks in its operations. All the manufacturing plants are certified as per ISO-14001 environment management system and integrated with quality and occupational health and safety management systems (ISO 9001 and ISO 45001). All plants identify environment aspects and impact and maintain a register in this regard. Significant aspects are managed through Environment Management Plan (EMPs) which are biannually reviewed by the management. The periodic audits conducted as part of these management systems, help the Company to identify potential risks and take suitable measures to mitigate the same. For new projects, potential environmental risks are identified while preparing Environment Impact Assessment and Risk Assessment reports which are addressed at the design stage itself.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?



Currently we do not have any project registered under the Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company relentlessly strives to transit from grey to green by reducing its carbon footprint. A state-of-the-art facility has been commissioned at Narsingarh clinkerisation unit to substitute part of the Fossil Fuels with Alternate Fuels. This initiative helps us reduce CO2 emissions by ~42,000 tonnes per annum. The Company has also commissioned 5.5 MW Solar Power Plant in its mining area at Damoh, Madhya Pradesh.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB (Central Pollution Control Board)/SPCB (State Pollution Control Board) for the financial year being reported?

Yes, the emissions / waste generated by the Company are within the permissible limits given by CPCB / SPCB and are monitored online by these regulatory authorities.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

During FY22 we have not received any kind of show cause/legal notices from CPCB & SPCB.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company provides its suggestions on public or regulatory aspects, as and when necessary, through the trade associations and chambers of commerce, of which the Company is a member. The Company also articulates the larger interest of the industry and the community at the aforesaid forums. All this is done bearing in mind the responsibility company shoulders.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

Yes. The Company is a member of the following trade associations:

- a) Confederation of Indian Industry (CII)
- b) Cement Manufacturers' Association (CMA)
- c) Global Cement and Concrete Association (GCCA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. The Company has always been a proponent of the sustainable business practices and energy security. Following are the broad areas of its advocacy:

1. Use of Alternative Fuels
2. Sustainable Mining Practices
3. Waste Management
4. Energy Conservation and focus on renewable energy
5. Promotion of concrete roads
6. Biodiversity and ambient temperature reduction

Principle 8: Businesses should support inclusive growth and equitable development.

The Company believes in creating opportunities for communities located around its plants with a view to enable a shared future and inclusive growth. Company runs Skill Development Centre for the rural folk and provides animal husbandry support all of which go towards augmenting their domestic income.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has formulated programs to pursue policies on inclusive growth and equitable development. These cover education, basic healthcare, women empowerment, sustainable livelihood and rural development. The details of the CSR activities undertaken by the Company in FY22 are set out in the Corporate Social Responsibility section of the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?

All such programmes/projects are generally undertaken and implemented by the in-house teams. The Company also collaborates with District Authorities, Gram Panchayats, NGOs and like-minded stakeholders for various CSR initiatives.

3. Have you done any impact assessment of your initiatives?

Impact assessment is conducted on regular basis in nearby villages. Based on these assessments, the Company decides upon appropriate interventions to be undertaken.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has spent INR 80.5 million on various CSR activities during FY22. The details of the amount spent and areas covered are given in Annexure-A to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company follows a participatory approach and encourages suggestions from the local communities, while planning and implementing various activities. There is continuous engagement with local communities to understand their needs and concerns. This participation has strengthened the bond with the local communities and reinforced the relationship.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Placing customers at the core of its business activities, the Company instills an organization-wide culture of customer centricity. Measures such as, dedicated Customer Support Services Department, sensitising and training employees towards customers' needs and concerns etc. Every department and function in the company stays committed to achieving "Customer Delight" and accordingly contributes to attain it.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Resolving the consumer complaints at the earliest is topmost priority and the motto of the Company. There were 10 consumer cases pending before different Forums/Commissions/Courts as on 31 March 2022.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).

Cement being a standardised product, the Company displays product information on the cement bags which is mandated as per the provisions of Bureau of Indian Standards (BIS) Act 2016, Legal Metrology Act 2011 and the rules made thereunder.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of financial year. If so, provide details thereof, in about 50 words or so.

None of the actions of the Company have contravened when it comes to indulgence in unfair trade practices, irresponsible advertising and/or anti-competitive behavior and therefore no case has been filed against the Company in this regard during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company periodically carries out internal studies to gauge consumer sentiments and takes appropriate measures to increase the level of customer satisfaction.



REPORT ON CORPORATE GOVERNANCE

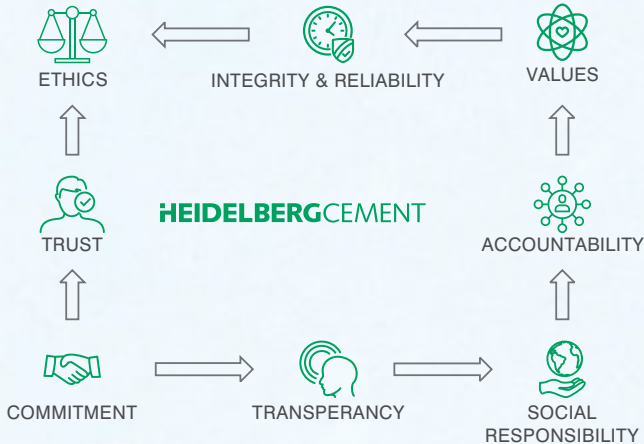
CORPORATE GOVERNANCE PHILOSOPHY

The Company believes that ethics, values, compliance and transparency are the foundation of good Corporate Governance, which earns the confidence of our stakeholders, customers and society. The Company believes in maintaining high ethical and legal standards as a part of its Corporate Governance measures and remains committed to the principles of integrity and fairness.

The Company is a part of HeidelbergCement Group which has over the years earned the distinction of being a good corporate citizen riding on the principles of honesty, integrity and sound governance. The Company's philosophy of Corporate Governance is to continue enhancing the satisfaction of its stakeholders and overall corporate value, while balancing economic, social, and commercial value(s).

The Company is led by a distinguished Board, which includes independent directors. The Board provides a wider overview and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its responsibilities and to provide management the strategic direction it needs.

Corporate Governance at HeidelbergCement India Limited



The Company is in compliance with the provisions stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). The details of compliances, for the financial year ended 31 March 2022, are as follows:

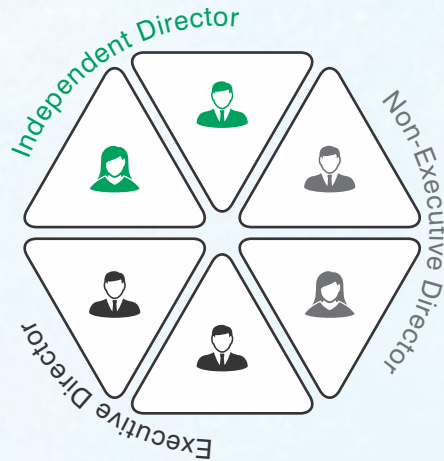
BOARD OF DIRECTORS

Size & Composition of the Board

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors. As on 31 March 2022, the Company's Board comprised of six Directors out of which four were Non-Executive Directors (including an Independent Director and an Independent Woman Director) and two Executive Directors (a Managing Director and a Whole-time Director). The Chairman of the Board is an Independent Director. None of the Directors of the Company are related to each other.

The composition of the Board as on 31 March 2022 is in conformity with Regulation 17 and 17A of the SEBI Listing Regulations.

Board Size & Composition



The Composition and Category of the Board of Directors and number of other directorships and committee positions held in other companies as on 31 March 2022 is given below:

Sr. No.	Name of the Director	Category of directorship in other Listed Companies	Name(s) of other Indian Listed Companies in which director holds directorship	No. of outside Directorship(s) in other Public Limited Companies*	No. of outside Committee positions held**	
					Membership	Chairpersonship
1	Mr. Ramakrishnan Ramamurthy DIN: 00680202 Chairman and Non-Executive Independent Director	-	-	-	-	-
2	Ms. Jyoti Narang DIN: 00351187 Non-Executive Independent Woman Director	Independent Director	AU Small Finance Bank Limited	3	2	-
3	Mr. Kevin Gerard Gluskie DIN: 07413549 Non-Executive Director	-	-	2	-	-
4	Ms. Soek Peng Sim DIN: 06958955 Non-Executive Director	-	-	2	-	-
5	Mr. Jamshed Naval Cooper DIN: 01527371 Managing Director	-	-	2	-	-
6	Mr. Sushil Kumar Tiwari DIN: 03265246 Whole-time Director	-	-	1	-	-

* Directorships in Private Limited Companies, Foreign Companies and Companies governed by section 8 of the Companies Act, 2013 are excluded for this purpose.

** Only Audit Committee and Stakeholders' Relationship Committee have been considered for the purpose of the Committee positions as per SEBI Listing Regulations.

Number of Board Meetings

During the financial year ended 31 March 2022, the Board of Directors met five times i.e., on 28 May 2021, 22 July 2021, 18 August 2021, 19 October 2021 and 08 February 2022. The maximum time gap between any two consecutive board meetings was less than 120 days.

During the financial year ended 31 March 2022 all the meetings of the Board and its Committees were conducted through Video Conferencing mode in accordance with the relaxations granted by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), owing to ongoing COVID-19 pandemic. The Company had complied with all the applicable laws in conducting the Board and its Committee meetings electronically.

Attendance of Board of Directors at the Board Meetings and last Annual General Meeting of the Company along with number of shares/convertible instruments held by them as on 31 March 2022:

Sr. No.	Name of the Director	Dates of Board Meetings held and attended during FY22					Total Board Meetings held during their tenure	Total Board Meetings attended during their tenure	Last Annual General Meeting held on 27-09-21	Number of equity shares held in the Company
		28 May 2021	22 July 2021	18 August 2021	19 October 2021	08 February 2022				
1	Mr. Ramakrishnan Ramamurthy	√	√	√	√	√	5	5	√	Nil
2	Ms. Jyoti Narang@	N.A.	N.A.	N.A.	√	√	2	2	√	Nil
3	Ms. Akila Krishnakumar#	√	√	√	√	N.A.	4	4	√	Nil
4	Mr. Kevin Gerard Gluskie	√	√	√	√	√	5	5	x	Nil
5	Ms. Soek Peng Sim	√	√	√	√	√	5	5	√	Nil
6	Mr. Jamshed Naval Cooper	√	√	√	√	√	5	5	√	Nil
7	Mr. Sushil Kumar Tiwari	√	√	√	√	√	5	5	√	Nil

√ Attended x Not Attended

@ Appointed with effect from 18 August 2021

Resigned with effect from 19 October 2021



Directors with Materially Significant Pecuniary Relationships or Business Transactions with the Company

The Company does not have any pecuniary relationship with any of the Directors and has not entered into any transaction, material or otherwise, with them except for the remuneration / sitting fees and payments / reimbursement of travelling, lodging and boarding expenses. Separate persons have been appointed by the Company to the post of Chairman and Managing Director.

Code of Conduct for Board Members and Senior Management Personnel

The Board has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company which also incorporates the duties of Independent Directors provided in the Companies Act, 2013. The Code has been displayed on the Company's website viz., www.mycemco.com. The Board Members and Senior Management Personnel have affirmed

compliance with the aforesaid Code. A declaration signed by the Managing Director in this regard is attached and forms part of this Report.

Key skills, expertise and competencies of Board Members

The Company believes that collective effectiveness of the Board is a must for overall performance and progress of the Company. The members of the Board amongst themselves should have an appropriate balance of skills, experience and diversity of perspectives. In terms of requirement of SEBI Listing Regulations and given the Company's size, scale and nature of business, the Board of Directors of the Company has identified following core skills, expertise and competencies of the Directors for effective functioning and long-term value creation. The Directors on Board of the Company are professionals with extensive experience and expertise in their respective functional areas. The table given below shows the varied skills, expertise and competencies possessed by directors:

Sr. No.	Areas of skills, expertise and competency	Brief Description
1	General Management/ Governance	Driving corporate ethics and values, Strategic thinking, decision making, People process skills, protecting interest of all stakeholders and understanding implications of changes in rules and regulations.
2	Financial skills	Understanding the financial statements, internal financial controls, risk management, budgeting, mergers and acquisition, etc.
3	Industry/Technical Knowledge	Experience in manufacturing sector, Quality, Safety, Project Management, Technical know-how resulting in continuous improvement, knowledge of how to anticipate technological trends, adapt to the market developments etc.
4	Sales & Marketing	Experience in developing strategies to increase sales and market share, build brand awareness and enhance enterprise reputation based on the understanding of dynamics of cement industry.

Skills, expertise and competencies possessed by the Individual Directors of the Company:

Sr. No.	Name of the Director	Skills, Expertise and Competencies			
		General Management/ Governance	Financial skills	Industry/Technical Knowledge	Sales & Marketing
1	Mr. Ramakrishnan Ramamurthy	√	√	√	√
2	Ms. Jyoti Narang	√	√	-	√
3	Mr. Kevin Gerard Gluskie	√	√	√	-
4	Ms. Soek Peng Sim	√	√	√	-
5	Mr. Jamshed Naval Cooper	√	√	√	√
6	Mr. Sushil Kumar Tiwari	√	-	√	-

Familiarisation programmes for Board Members

The Board members are provided with necessary documents to enable them to familiarise with the Company's procedures and practices. Presentations are made at Board Meetings with respect to strategies, business models, operations, markets, business environment, risk management, competitive benchmarking, etc. The Board is also updated from time to time on matters relating to changes in the regulatory framework including tax laws.

At the time of appointment, an Independent Director is given a formal letter of appointment describing the role,

functions, duties and responsibilities expected from him/her as a Director of the Company. The Director is also briefed on the compliances required from him under the Companies Act, 2013, SEBI Listing Regulations and other applicable regulations. The Managing Director also has a one-to-one discussion with the newly appointed Director which helps the newly appointed Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company.

The details of familiarisation programmes for Independent Directors are posted on website of the Company and the same can be accessed at the web-link given below:

https://www.mycemco.com/sites/default/files/PDF/Policies/Familiarisation_programme_for_Independent_Directors_FY22.pdf

Declaration of Independent Directors

Independent Directors on Board have submitted declarations to the Company that they fulfill the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 & 25(8) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board of Directors after verifying the veracity of aforesaid declarations, have confirmed that the Independent Directors fulfill the conditions of

independence specified in the Companies Act, 2013, SEBI Listing Regulations and that they are Independent of the management of the Company.

BOARD LEVEL COMMITTEES

The Company has the following Board Level Committees:

- Audit Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;
- Nomination and Remuneration Committee; and
- Risk Management Committee

The Board of the Company takes all decisions with regard to constituting/reconstituting, assigning, co-opting, delegating and fixing the Terms of Reference of the Committees. Recommendations / decisions of the Committees are submitted / informed to the Board for approval/update.

The Composition of all Board level Committees as on 31 March 2022 is shown below:

Sr. No.	Name of the Director	Audit Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Risk Management Committee*
1	Mr. Ramakrishnan Ramamurthy					
2	Ms. Jyoti Narang					
3	Mr. Kevin Gerard Gluskie	-	-	-		-
4	Ms. Soek Peng Sim		-	-	-	-
5	Mr. Jamshed Naval Cooper	-			-	
6	Mr. Sushil Kumar Tiwari	-	-		-	-

Chairperson Member

*Mr. Anil Kumar Sharma, Chief Financial Officer and Chief Risk Officer of the Company is also a member of Risk Management Committee.

Audit Committee

The Audit Committee of the Company met four times during FY22. The time gap between any two meetings of Audit Committee was less than 120 days. The quorum for the meetings of the Audit Committee is one-third of the

members of the Committee, subject to a minimum of two independent directors present at the meeting. The composition as well as terms of reference of the Audit Committee are in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The details of attendance of the members of Audit Committee are given below:

Sr. No.	Name of the Member	Dates of Meeting of Audit Committee held and attended during FY22				Total Meetings held during their tenure	Total Meetings attended during their tenure
		28 May 2021	22 July 2021	19 October 2021	08 February 2022		
1	Ms. Jyoti Narang@	N.A.	N.A.	√	√	2	2
2	Mr. Ramakrishnan Ramamurthy	√	√	√	√	4	4
3	Ms. Akila Krishnakumar#	√	√	√	N.A.	3	3
4	Ms. Soek Peng Sim	√	√	√	√	4	4

@ Appointed with effect from 18 August 2021

Resigned with effect from 19 October 2021

The role of the Audit Committee is to provide oversight over the accounting systems, financial reporting, related party transactions and internal controls of the Company. The powers and role of the Audit Committee are as set out in the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The Terms of Reference of the Committee are available on the website of the Company, www.mycemco.com.

The Company Secretary acts as the Secretary to the Committee. The Managing Director, Chief Financial Officer and the representative(s) of the Statutory Auditors and the Internal Auditors are invited to attend the meetings of the Audit Committee. The Internal Auditors of the Company report directly to the Audit Committee on half yearly basis.



The Statutory Auditors of the Company have expressed an unmodified opinion on the financial statements of the Company for FY22.

The Chairperson and all the other members of Audit Committee possess accounting and financial management expertise.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company met four times during FY22 to take note of shareholders' grievances and to review other matters relating to investors' servicing. The terms of reference of the Committee are available on the website of the Company, www.mycemco.com.

The details of attendance of the members of the Stakeholders' Relationship Committee are given below:

Sr. No.	Name of the Member	Dates of Meeting of Stakeholders' Relationship Committee held and attended during FY22				Total Meetings held during their tenure	Total Meetings attended during their tenure
		28 May 2021	22 July 2021	19 October 2021	08 February 2022		
1	Mr. Ramakrishnan Ramamurthy	√	√	√	√	4	4
2	Ms. Jyoti Narang@	N.A.	N.A.	√	√	2	2
3	Ms. Akila Krishnakumar#	√	√	√	N.A.	3	3
4	Mr. Jamshed Naval Cooper	√	√	√	√	4	4

@ Appointed with effect from 18 August 2021

Resigned with effect from 19 October 2021

Mr. Rajesh Relan, Legal Head & Company Secretary is the Compliance Officer of the Company and also acts as Secretary to the Committee. During the period under review two complaints were received and resolved. There was no pending investor complaint as on 31 March 2022.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company met twice during FY22. The terms of reference of the Committee are in line with the provisions of the Companies Act, 2013 and the Rules made thereunder. The terms of reference of the Committee are available on website of the Company, www.mycemco.com.

The details of attendance of the members of the Corporate Social Responsibility Committee are given below:

Sr. No.	Name of the Members	Dates of Meeting of Corporate Social Responsibility Committee held and attended during FY22		Total Meetings held during their tenure	Total Meetings attended during their tenure
		28 May 2021	19 October 2021		
1	Mr. Ramakrishnan Ramamurthy@	N.A.	√	1	1
2	Ms. Jyoti Narang@	N.A.	√	1	1
3	Ms. Akila Krishnakumar#	√	√	2	2
4	Mr. Jamshed Naval Cooper	√	√	2	2
5	Mr. Sushil Kumar Tiwari	√	√	2	2

@ Appointed with effect from 18 August 2021

Resigned with effect from 19 October 2021

Risk Management Committee

The Risk Management Committee of the Company met thrice during FY22. The terms of reference of the Committee are available on website of the Company, www.mycemco.com.

The details of attendance of the members of the Risk Management Committee are given below:

Sr. No.	Name of the Member	Dates of Meeting of Risk Management Committee held and attended during FY22			Total Meetings held during their tenure	Total Meetings attended during their tenure
		22 July 2021	19 October 2021	08 February 2022		
1	Mr. Jamshed Naval Cooper	√	√	√	3	3
2	Mr. Ramakrishnan Ramamurthy	√	√	√	3	3
3	Ms. Jyoti Narang@	N.A.	√	√	2	2
4	Ms. Akila Krishnakumar#	√	√	N.A.	2	2

@ Appointed with effect from 18 August 2021

Resigned with effect from 19 October 2021

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company met four times during FY22. The terms of reference of the Committee are in line with the provisions of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and the Rules made thereunder. The terms of reference of the Committee are available on website of the Company, www.mycemco.com.

The details of attendance of the members of the Nomination and Remuneration Committee are given below:

Sr. No.	Name of the Member	Dates of Meeting of Nomination & Remuneration Committee held and attended during FY22				Total Meetings held during their tenure	Total Meetings attended during their tenure
		28 May 2021	22 July 2021	18 August 2021	08 February 2022		
1	Ms. Jyoti Narang@	N.A.	N.A.	N.A.	√	1	1
2	Mr. Ramakrishnan Ramamurthy	√	√	√	√	4	4
3	Ms. Akila Krishnakumar#	√	√	√	N.A.	3	3
4	Mr. Kevin Gerard Gluskie	√	√	√	√	4	4

@Appointed with effect from 18 August 2021

#Resigned with effect from 19 October 2021

Nomination and Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee (NRC) has approved a Nomination and Remuneration Policy for Directors and Senior Management Personnel. The said policy provides that while considering a proposal for appointment of a Director, NRC shall inter alia consider his/her qualifications, positive attributes, areas of expertise, independence and the number of directorships and memberships in Board level committees held by such person in other companies. The Board considers the recommendations of NRC and takes appropriate decisions.

The said Policy also provides that while determining the remuneration it should be ensured that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, senior management personnel and other employees. The remuneration is divided into two components namely, fixed component comprising salaries, perquisites, allowances, retirement benefits etc., and the variable component or performance-based incentive. Appropriate balance between fixed and variable pay is maintained so as to be focussed on both short term as well as long term performance objectives.

The annual increments and performance incentives are decided through a structured performance management system, which takes into account criticality of the roles and responsibilities, employees' competencies and

performance, the Company's performance vis-à-vis the achievement of annual operating plan, individual's performance vis-à-vis Key Performance Indicators (KPIs), industry benchmark and current compensation trends in the market. The said Policy has been posted on website of the Company and the web link to access the said policy is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/Nomination_and_Remuneration_Policy.pdf

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, a Performance Evaluation Policy has been formulated containing the criteria and methodology for facilitating performance evaluation of the Board as a whole, Committees of the Board and the directors individually. In accordance with the criteria contained in the said Policy, the Board has carried out performance evaluation of its own performance, its Committees and the Independent Directors. The Nomination and Remuneration Committee has also evaluated the performance of all the Directors.

The performance evaluation of the Chairman and the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors at their separate meeting. The Directors have expressed their satisfaction on the outcome of the performance evaluation.

Criteria for payment of sitting fee to Non-Executive Independent Directors

The sitting fee payable to Non-Executive Independent Directors for attending the meetings is given below: (Amount in Rupees)

Name of Meeting	Amount payable to each director per meeting
Meeting of Board of Directors	100,000
Meeting of Audit Committee*	100,000
Meeting of Nomination and Remuneration Committee*	80,000
Meeting of Corporate Social Responsibility Committee*	80,000
Meeting of Stakeholders' Relationship Committee*	80,000
Meeting of Risk Management Committee*	80,000
Meeting of Independent Directors*	80,000

*With effect from 19 October 2021, sitting fee of Audit Committee Meeting was increased from INR 80,000 per meeting to INR 1,00,000 per meeting and the sitting fees for attending meetings of other committees was increased from INR 60,000 to INR 80,000 per meeting.



Sitting fee paid to Non-Executive Independent Directors during FY22

Name of the Director	No. of meetings attended							Sitting fees paid from 01.04.2021 to 31.03.2022*
	Board Meetings	Audit Committee Meetings	Stakeholders' Relationship Committee Meetings	Nomination and Remuneration Committee Meetings	Corporate Social Responsibility Committee Meetings	Risk Management Committee Meetings	Meeting of Independent Directors	
Mr. Ramakrishnan Ramamurthy	5	4	4	4	1	3	1	1,780,000
Ms. Jyoti Narang	2	2	2	1	1	2	1	9,60,000
Ms. Akila Krishnakumar	4	3	3	3	2	2	N.A.	1,320,000

*Sitting fee paid to Non-Executive Independent Directors shown in the table given above is gross. The payment has been made to Directors after deduction of tax at source.

The Company has not paid any remuneration or sitting fees to its non-resident Directors namely, Mr. Kevin Gerard Gluskie and Ms. Soek Peng Sim during the financial year ended 31 March 2022.

Remuneration of Whole-time Director

The details of the Remuneration paid to Mr. Sushil Kumar Tiwari, Whole-time Director, during FY2021-22 are given below:

	(Rupees)
Basic Salary	70,27,620
Perquisites & Allowances	92,55,319
Variable Pay#	44,93,892
Contribution to PF and Superannuation Fund	18,97,457
Total	2,26,74,288

#Variable Pay of Whole-time Director can vary between 0% and 200% of the base amount depending upon individual and Company's performance after evaluation of the performance against the targets set in the beginning of the year.

The notice period of Whole-time Director is three months. The Company does not pay any sitting fee/commission/remuneration to Mr. Jamshed Naval Cooper, Managing Director. The remuneration of Mr. Cooper is being borne and directly paid by HeidelbergCement AG, the ultimate holding company and thus it does not impact the P&L Account of the Company. The notice period of Mr. Jamshed Naval Cooper, Managing Director is six months. The Company does not have any Stock Option Scheme.

Meeting of Independent Directors

During FY22, the Independent Directors of the Company met on 08 February 2022 for performance evaluation of Non-Independent Directors and the Board as a whole; and evaluation of the quality, content and timeliness of flow of information between the Management and the Board. The said meeting was attended by both the Independent Directors. The Independent Directors have expressed satisfaction on the outcome of performance evaluation.

Subsidiary

The Company does not have any subsidiary company.

Related Party Transactions

All the transactions between the Company and its related parties during the financial year ended 31 March 2022 were in the ordinary course of business and on an arm's length basis. The particulars of such transactions have been disclosed in notes to financial statements presented in the Annual Report. During the year under review, the Company has not entered into any related party transaction exceeding the threshold limit provided under the

Companies Act, 2013/ Rules made thereunder and the SEBI Listing Regulations. A statement containing details of all the related party transactions is placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions.

The Company has in place a Policy on Related Party Transactions and a framework for the purpose of assessing the basis of determining the arm's length price of relevant transactions. The same have been posted on the Company's website. The web-link to access the said policy and framework is as follows:

https://www.mycemco.com/sites/default/files/PDF/Policies/Related_Party_Transaction_Policy.pdf

Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

Disclosures

Wherever necessary, Directors and Senior Management Personnel make disclosures to the Board relating to all the material financial and commercial transactions where they have a personal interest that may create a potential conflict with the interest of the Company at large. All the related party transactions have been disclosed in notes to financial statements presented in the Annual Report. All the Directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and Rules made thereunder and as and when any changes in their interests take place, they are placed at the following Board Meeting for taking the same on record.

The Board of Directors of the Company annually review the adoption of the 'discretionary requirements' under SEBI Listing Regulations.

Vigil Mechanism/Whistle Blower Policy

The Company is committed to develop a culture where it is safe for employees to raise genuine concerns or grievances about unethical behaviour, conflict of interest, leakage of price sensitive information, mismanagement, fraud and violation of Code of Conduct. The Company has put in place a Vigil Mechanism/Whistle Blower Policy to deal with such instances. The purpose of this policy is to provide a framework for an effective vigil mechanism and to provide protection to employees or Directors against victimization who report such genuine concerns. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company. Under the Policy a person can raise genuine concerns either to the Ethics Counsellor or to the Chairman of Audit Committee. It is hereby affirmed that no employee was denied access to the Audit Committee. During FY2021-22 no complaint was received under the Vigil Mechanism.

Prevention of Sexual Harassment of Women at the Workplace

The Company continues to remain compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which aims to protect women at workplace against any form of sexual harassment and prompt redressal of any complaint. During FY2021-22, no complaint was received by the Company in this regard.

Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has adopted Indian Accounting Standards (Ind-AS) since 1 April 2016. The financial statements of the Company for the financial year ended 31 March 2022 as well as for 31 March 2021 presented in this Annual Report have been prepared in accordance with the Indian Accounting Standards.

Details of Non-compliance by the Company in the last three years

The Company has complied with all the requirements of the SEBI Listing Regulations. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of capital market norms, rules, regulations, etc. in the last three years.

Certificate from Practicing Company Secretary

A certificate of Mr. Nityanand Singh (CP No. 2668), Practicing Company Secretary issued in compliance with Part C of Schedule V of the SEBI Listing Regulations, certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company is enclosed to this Report.

Risk Management

The Company has a structured Risk Management Policy. The business risks have been classified under the broad heads - strategic, operational, financial and legal & compliance risks. The Company's risk management policy lays down a bottom-up process comprising risk identification, analysis and evaluation, treatment and control. The business risks are reviewed by the Senior Management and critical risks are placed before the Risk Management Committee/Board of Directors for review.

Means of Communication

The quarterly and annual financial results are usually published in the English and Hindi editions of Business Standard. The Quarterly / Annual Financial Results, Shareholding Patterns, Annual Reports, Corporate Announcements etc., are displayed on the websites of the stock exchanges (BSE & NSE), as well as on the Company's website - www.mycemco.com and the same can be accessed thereat. The unaudited/audited financial results are also sent electronically to all shareholders whose email ids are available with the Company.

The Company attends the earnings calls/investors' conferences organised by the recognised market intermediaries and the presentations, if any, given to investors/analysts at such conferences are submitted to the stock exchanges and simultaneously also posted on the Company's website for information of the investors.

During the year under review presentations were made to the Institutional Investors/Analysts after announcement of financial results and the same can be accessed at the Company's website, www.mycemco.com. The Company's website, www.mycemco.com also contains transcripts of earnings' call and other useful information as required to be displayed pursuant to Regulation 46(2) of the SEBI Listing Regulations.

Recommendations made to the Board of Directors by its Committees

There was no instance during the financial year 2021-22, wherein the Board of Directors of the Company did not accept recommendations made to it by any of its Committees.

Total fees paid to Statutory Auditors of the Company

The Company has paid aggregate amount of INR 5.8 million, comprising audit fee of INR 5.7 million and reimbursement of expenses of INR 0.1 million, to its statutory auditor, M/s. S.N. Dhawan & Co. LLP for carrying-out statutory audit for the financial year 2021-22 and providing related services. The Company has not engaged any other firm/entity which is part of network of M/s. S.N. Dhawan & Co. LLP.



GENERAL SHAREHOLDERS INFORMATION:

DIRECTORS

Appointment of Independent Director

The Board of Directors of the Company appointed Ms. Jyoti Narang as an Additional Director in the category of Non-Executive Independent Woman Director, with effect from 18 August 2021. The members of the Company at the last AGM held on 27 September 2021 regularised the appointment of Ms. Narang for a term of five years from 18 August 2021 to 17 August 2026.

Resignation of Chairperson

Ms. Akila Krishnakumar resigned from the position of the Chairperson & Non-Executive Independent Woman Director of the Company with effect from close of business hours on 19 October 2021 on account of her growing interest in the development sector as she wanted to increase the pace and extent of her work in this sector. She has also confirmed that there are no other material reasons other than those provided above.

The Board places on record its appreciation for the valuable guidance and direction provided by Ms. Akila Krishnakumar during her tenure as Chairperson of the Board.

Appointment of new Chairman

The Board of Directors has appointed Mr. Ramakrishnan Ramamurthy, Independent Director, as Chairman of the Board with effect from 20 October 2021 in place of Ms. Akila Krishnakumar.

Retirement by rotation

Mr. Kevin Gerard Gluskie, Director retires by rotation at the ensuing AGM and being eligible has offered himself for reappointment. His brief profile is given in the Notice of AGM. The Board hereby recommends his reappointment.

Change of Whole-time Director

The members of the Company at the last AGM held on 27 September 2021 had reappointed Mr. Sushil Kumar Tiwari as Whole-time Director of the Company for a further term of one year from 10 June 2021 to 09 June 2022. Accordingly, the Board of Directors at its meeting held on 20 May 2022 appointed Mr. Vimal Kumar Jain (DIN: 09561918) as Whole-time Director of the Company and a member of CSR Committee with effect from 10 June 2022 in place of Mr. Sushil Kumar Tiwari. A brief profile of Mr. Jain is given in the Notice of AGM. The Company has received a notice under section 160(1) of the Companies Act, 2013 from a member proposing the candidature of Mr. Jain for appointment as Director at the ensuing AGM. The Board recommends the appointment of Mr. Jain by the members at the ensuing AGM for a term of three years from 10 June 2022 to 09 June 2025.

The Board places on record its appreciation for the valuable services rendered by Mr. Tiwari during his tenure as Whole-time Director of the Company.

General Meetings of Shareholders

The details of the Annual General Meetings (AGM) of shareholders held during the last three years are given below:

Financial Year ended	Date & Time	Venue	Details of Special Resolutions passed at AGM
31.3.2021	27.09.2021, 11.00 A.M.	Through Video Conference/ Other audio-visual means	For Reappointment of Mr. Sushil Kumar Tiwari (holding DIN 03265246) as Whole-time Director of the Company from 10 June 2021 till 09 June 2022.
31.3.2020	18.09.2020, 10.00 A.M.	Through Video Conference/ Other audio-visual means	For giving a term Loan of INR 1500 million to Zuari Cement Limited (a fellow subsidiary) for setting-up of Waste Heat Recovery Project at its Yerreguntla Plant.
31.3.2019	19.09.2019, 9.30 A.M.	Auditorium in Apparel House Building, Sector 44, Institutional Area, Gurugram, Haryana.	For Reappointment of Mr. Sushil Kumar Tiwari (holding DIN 03265246) as Whole-time Director of the Company from 10 June 2019 till 9 June 2021.

Ms. Akila Krishnakumar (the then Chairperson of the Board & Stakeholder's and Relationship Committee), Mr. Ramakrishnan Ramamurthy (the then Chairman of the Audit Committee and Nomination & Remuneration Committee), Ms. Jyoti Narang, Independent Woman Director, Ms. Soek Peng Sim, Non-Executive Director, Mr. Jamshed Naval Cooper, Managing Director and Chairman of Risk Management Committee and Mr. Sushil Kumar Tiwari, Whole-time Director of the Company were present at the last AGM held on 27 September 2021.

Postal Ballot

The Company has neither passed any Resolution through Postal Ballot during the financial year ended 31 March 2022 nor there is any proposal to circulate any resolution through Postal Ballot for approval of members before the ensuing AGM.

Annual General Meeting

Date : 08 September 2022

Day : Thursday

Time : 11.00 A.M.

Venue : In view of potential risk of spread of COVID-19 through public gatherings, ensuing AGM is also being organised through Video-Conferencing facility or other Audio-Visual means as permitted by the Ministry of Corporate Affairs. The requisite details about the same have been provided in the Notice of AGM.

Financial Calendar for FY2022-23

Proposed Board Meetings for approving quarterly financial results for the financial year 2022-23 are as under:

Approval of the financial results for the quarter ending 30 June 2022, 30 September 2022 and 31 December 2022.	Within 45 days from the end of the respective quarter.
Audited financial results for financial year ending 31 March 2023.	Within 60 days from the end of the financial year.
AGM for the financial year ending 31 March 2023.	August / September 2023.

Dividend: The Board of Directors has recommended Dividend of INR 9 per equity share of INR 10 each (90%) for FY22 (INR 8 per share for FY21), subject to the approval of the shareholders in the ensuing AGM. The dividend, after

declaration in AGM, will be paid to the shareholders within 30 days from the date of AGM.

Record date: 01 September 2022 for the purpose of AGM and Dividend.

Stock Exchanges where shares are listed	Stock Code / Trading Symbol
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai - 400001	500292
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C/1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	HEIDELBERG

There are no arrears of listing fees to be paid to BSE and NSE.

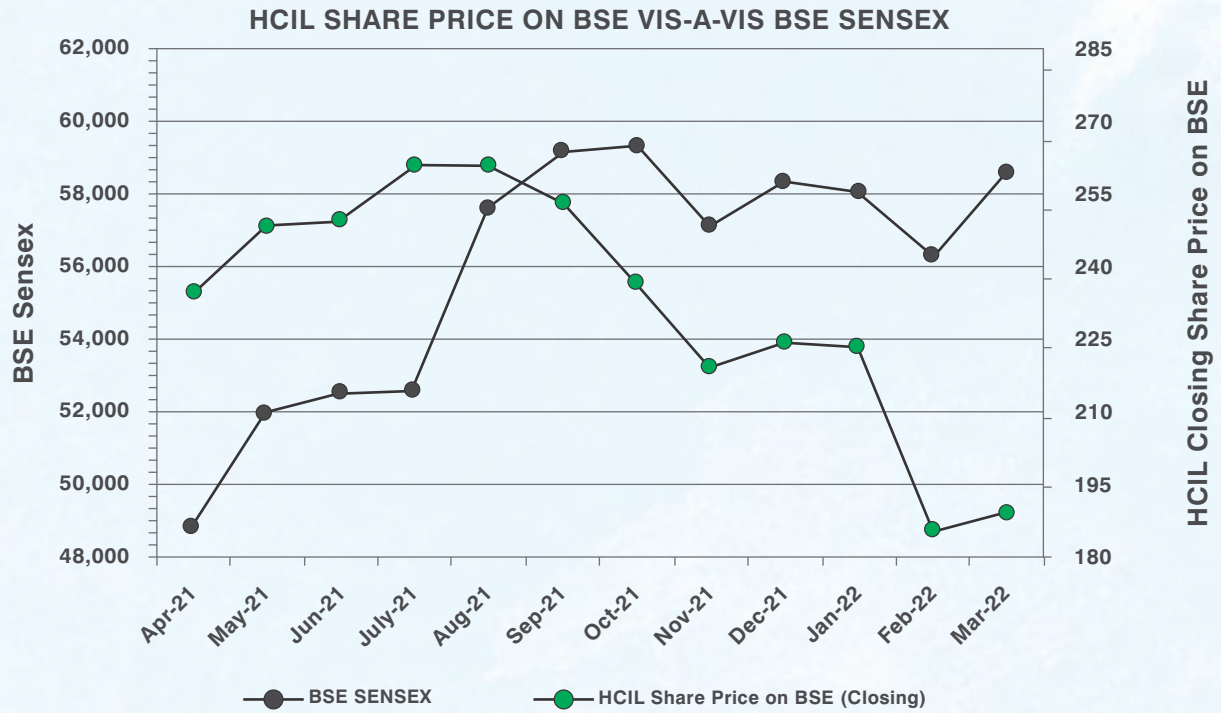
Share Price Data

Share Price of HeidelbergCement India Ltd. at BSE & NSE during the financial year ended 31 March 2022 is given below:

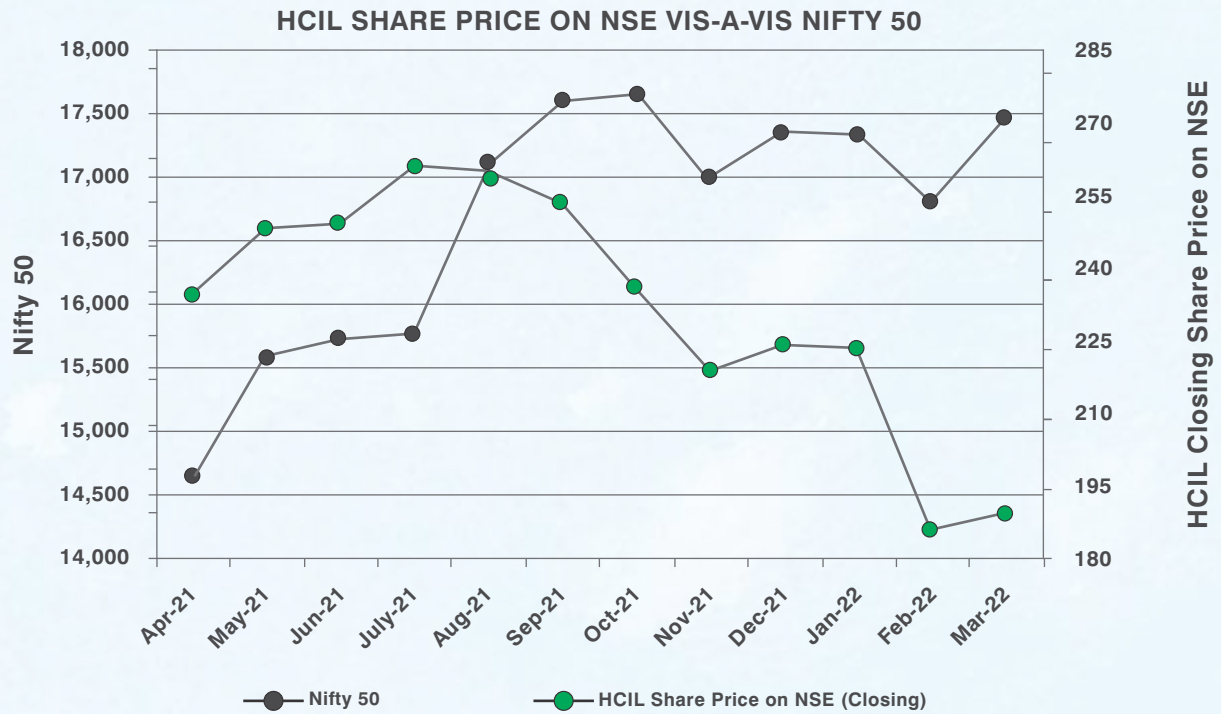
Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Close (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)
April 21	255.95	220.50	236.90	256.00	224.25	237.10
May 21	284.55	232.90	251.40	284.95	233.10	251.40
June 21	264.95	245.00	252.65	265.05	247.55	252.65
July 21	275.45	248.10	264.60	275.40	248.30	264.65
August 21	272.00	245.45	264.55	270.90	244.95	264.60
September 21	277.95	254.35	256.40	277.95	254.10	256.80
October 21	261.00	235.15	239.45	261.35	235.00	238.90
November 21	256.00	219.80	220.90	255.30	220.00	220.70
December 21	232.90	209.65	226.30	230.00	211.30	226.35
January 22	245.00	216.45	225.40	244.75	216.20	225.35
February 22	236.05	183.00	185.50	236.50	182.10	186.10
March 22	205.25	178.95	189.45	204.95	178.45	189.60



Comparison of Share Price of HeidelbergCement India Ltd. with BSE Sensex



Comparison of Share Price of HeidelbergCement India Ltd. with Nifty 50



Shareholding Pattern as on 31 March 2022

Category	No. of Equity Shares	% of Equity shareholding
Promoters (Foreign Body Corporate)	157,244,693	69.39
Mutual Funds	13,809,759	6.09
Financial Institutions & Banks	8,553	0.00
Central /State Government	328,440	0.14
Insurance Companies	8,510,427	3.76
Foreign Portfolio Investors	12,352,215	5.45
Alternative Investment Funds	1,812,815	0.80
NBFCs registered with RBI	3,506,608	1.55
NRIs and Foreign National	1,381,637	0.61
Bodies Corporate	6,723,777	2.97
Trusts	46,914	0.02
Resident Individuals	20,193,754	8.91
Clearing members	206,542	0.09
HUFs	486,982	0.21
Total	226,613,116	100.00

Distribution Schedule of Equity Shares as on 31 March 2022

No. of equity shares of Rs. 10 each	No. of shareholders*	% of shareholders	No. of shares held	% of shareholding
1-500	97959	93.29	8046823	3.55
501-1000	3847	3.66	3088417	1.36
1001-2000	1671	1.59	2543059	1.12
2001-3000	553	0.53	1418187	0.63
3001-4000	233	0.22	837792	0.37
4001-5000	176	0.17	835383	0.37
5001-10000	285	0.27	2143847	0.95
10001 and above	281	0.27	207699608	91.65
Total	105005	100.00	226613116	100.00

*The number of shareholders stated above are based on number of beneficiary account(s)/Folio(s).

Dematerialisation of shares/liquidity/unclaimed shares

The Equity Shares of the Company are actively traded at BSE and NSE in dematerialised form only. International Securities Identification Number (ISIN) for both the depositories, viz., NSDL and CDSL is INE578A01017. As on 31 March 2022, 99.50% of the Equity Shares of the Company were held in dematerialised form. The shareholders who are still holding shares in physical form and wish to get their shares dematerialised can submit the share certificates together with the Demat Request Form to the Depository Participant with whom they have opened a demat account. The Company doesn't have any unclaimed shares with respect to its past public/rights issue of shares/convertible debentures.

Non-Convertible Debentures

The Company had on 16 December 2013 issued and allotted 370 unsecured, redeemable, non-convertible debentures ("Debentures") of face value of INR 10 million each, aggregating to INR 3,700 million to HeidelbergCement AG for the purpose of refinancing the long-term loans obtained from banks. During FY22 the Company has through its internal accruals repaid final redemption instalment of Rs. 32,43,243.24 per Non-Convertible Debenture (NCD) on 370 NCDs aggregating to INR 1,200 million on 16 December 2021. After the repayment, the aforesaid NCDs stand fully redeemed and ISIN-INE578A08012 has been deactivated by NSDL.



Share Transfer System

As per the provisions of Section 72 of the Companies Act, 2013 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03 November 2021, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website through the weblink at <https://www.mycemco.com/investor-information>.

Members who still hold shares in physical form are advised that SEBI has made it mandatory for all holders and claimants of physical securities to furnish their PAN (duly linked with Aadhaar) to the Companies/RTA, failing which all such physical folios shall stand frozen with effect from 01 April 2023.

The Company has already sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nominee details. The aforesaid circular and necessary forms in this regard have been made available on the website of Company's RTA as well as on the Company's website at <https://www.mycemco.com/investor-information>. The members may update their KYC details (including PAN) by downloading Form ISR-1 from the aforesaid link.

The Company has obtained from a Practising Company Secretary a certificate regarding compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and filed a copy of the said certificate with the Stock Exchanges.

Outstanding warrants and their implications on equity

There are no outstanding GDRs, ADRs, convertible warrants or any other instruments convertible into equity shares.

The Company has not raised any funds through preferential allotment of shares or through qualified institutional placement during FY22.

Addresses for correspondence

Registered Office:

HeidelbergCement India Ltd.
2nd Floor, Plot No. 68,
Sector-44, Gurugram,
Haryana - 122002

Phone Nos. : 0124 - 4503700

Fax No. : 0124 - 4147699

E-mail-Ids : investors.mcl@mycem.in
rajesh.relan@heidelbergcement.in
bhagya.hasija@heidelbergcement.in

Compliance Confirmations

- There was no non-compliance of any of the requirements prescribed under sub-paras (2) to (10) of Schedule V Part C of the SEBI Listing Regulations.
- The Company has complied with the requirements prescribed under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. A certificate to this effect from M/s. Nityanand Singh & Co, Practising Company Secretaries [FCS No. 2668 and CP No. 2388] is enclosed with this Report.
- No funds have been raised by the Company through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A).

Loans and Advances

During FY22, the Company has not given any fresh loan to firms/companies in which directors are interested.

The principal amount outstanding in respect of loan given to Zuari Cement Limited (a fellow subsidiary) in which directors are interested stands unchanged at INR 1500 million as on 31 March 2022.

Compliance with mandatory requirements

The Company is compliant with all applicable mandatory requirements of the SEBI Listing Regulations. Quarterly compliance report on corporate governance, in the prescribed format is submitted to the Stock Exchanges after the end of each quarter.

Commodity price risk or foreign exchange risk and hedging activities

The foreign exchange exposure arising on account of imports are routinely managed by entering into forward contracts to the extent considered necessary. The details of foreign currency exposure are disclosed in notes to the financial statements.

Registrar & Share Transfer Agents:

Integrated Registry Management Services Private Ltd.
(Unit: HeidelbergCement India Ltd.)
30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram,
Bengaluru - 560 003, Karnataka
Phone Nos. : 080-23460815 to 23460818
Fax No. : 080-23460819
Email-Ids : irg@integratedindia.in

Plant Locations

a) HeidelbergCement India Ltd.
P.O. Ammasandra
District Tumkur
Karnataka - 572211

c) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
Village Imlai
District Damoh
Madhya Pradesh - 470661

b) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
P.O. Narsingarh
District Damoh
Madhya Pradesh - 470675

d) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
Village Madora
District Jhansi
Uttar Pradesh - 284121

Affirmation of Compliance with the Code of Conduct for Board Members and Senior Management Personnel

I declare that the Company has received affirmation of compliance with the “Code of Conduct for Board Members and Senior Management Personnel” laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, for the financial year ended 31 March 2022.

Place: Gurugram
Date: 20 May 2022

Jamshed Naval Cooper
Managing Director



CORPORATE GOVERNANCE CERTIFICATE

To

The Members

HEIDELBERGCEMENT INDIA LIMITED.

We have examined the compliance of conditions of Corporate Governance by **HEIDELBERGCEMENT INDIA LIMITED.** (“the Company”), for the financial year ended 31st March 2022, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

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

For **Nityanand Singh & Co.**
Company Secretaries

Place: New Delhi
Date: 20 May 2022

Nityanand Singh (Prop.)
FCS No. 2668/ CP No. 2388
UDIN: F002668D000356615



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of HEIDELBERGCEMENT INDIA LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HeidelbergCement India Limited having CIN L26942HR1958FLC042301 and having registered office at 2nd Floor, Plot No. 68 Sector-44 Gurugram, Haryana 122002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or by any other such Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Ramakrishnan Ramamurthy	00680202	12/02/2019
2.	Ms. Jyoti Narang	00351187	18/08/2021
3.	Mr. Kevin Gerard Gluskie	07413549	04/02/2016
4.	Ms. Soek Peng Sim	06958955	16/09/2014
5.	Mr. Jamshed Naval Cooper	01527371	01/07/2014
6.	Mr. Sushil Kumar Tiwari	03265246	29/04/2011

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

For **Nityanand Singh & Co.**
Company Secretaries

Place: New Delhi
Date: 20 May 2022

Nityanand Singh (Prop.)
FCS No. 2668/ CP No. 2388
UDIN: F002668D000356329



Disclosure pursuant to Regulation 10(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Promoters and persons acting in concert: Cementum I B.V., HeidelbergCement AG, HeidelbergCement Asia Pte Ltd, Castle Cement Ltd., CBR Baltic B.V., CBR Portland B.V., Civil and Marine Slag Cement Ltd., Bukhtarma Cement Company LLP, HeidelbergCement Romania SA, Cements AB, Ceskomoravsky Cement, a.s, Duna-Drava Cement Kft, ENCI Holding N.V., Gorazdze Cement S.A., Hanson Ltd., CaucasusCement Holding B.V., HeidelbergCement Central Europe East Holding B.V., HeidelbergCement Danmark A/S, HeidelbergCement International Holding GmbH, HeidelbergCement Netherlands Holding B.V., HeidelbergCement Northern Europe AB, HeidelbergCement Norway a.s., HeidelbergCement Sweden AB, HeidelbergCement UK Holding Ltd., HeidelbergCement Ukraine Public Joint Stock Company, Kunda NordicTsement AS, Norcem AS, S.A. Cimenteries CBR, Tvornica Cements Kakanjd.d., Civil and Marine Inc., Lehigh Hanson, Inc., Lehigh B.V., Lehigh Hanson Materials Limited, Lehigh Southwest Cement Company, Permanente Cement Company, Butra HeidelbergCementSdn. Bhd., Cimbenin S.A., Ciments du Togo S.A., Ghacem Ltd., HeidelbergCement Bangladesh Ltd., Liberia Cement Corporation Ltd., PT IndocementTunngal Prakarsa Tbk, Scancem International DA, Tanzania Portland Cement Public Limited Company, HC Trading B.V., HC Trading Malta Ltd., HC Fuels Limited, Zuari Cement Ltd., Gulbarga Cement Limited, Italcementi S.p.A. and Ciments Français S.a.s.



INDEPENDENT AUDITOR'S REPORT

To the Members of HeidelbergCement India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HeidelbergCement India Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Provisions and contingencies with respect to litigations

Description of the Key audit matter

The Company has been operating in multiple locations over the years and thus has been subject to variety of laws,

regulations and interpretations. There are litigations which have been pending for long and the outcome of which is not certain. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other governmental proceedings, as well as audit by authorities and commercial claims. As at 31 March 2022, the company held provision for litigations of MINR 2,101.9 against which a sum of MINR 1,751.4 has been deposited under protest. Given the highly complex nature of regulatory and legal cases, management applies judgement when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change over time as new facts emerge and each legal case progresses. Given the complexity and magnitude of potential exposures across the company, and the judgement necessary to determine required disclosures this is a key audit matter.

Description of the Auditor's response

We assessed and tested the design and operating effectiveness of the controls set up to prevent or detect and correct errors relating to the recognition and measurement of provisions involving the use of judgment. We also discussed the status of significant known actual and potential litigation with the Head of Legal and Compliance and other senior management personnel who have knowledge of these matters. We challenged the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. For the most significant of the matters, we assessed relevant historical and recent judgments passed by the court authorities and considered legal opinion wherever obtained by management from external lawyers to validate the basis used for the provisions recorded and the disclosures made by the company. We also involved internal tax experts, because of the knowledge required for the respective tax regulations. We reviewed internal audit reports and met with Internal Audit team to identify actual and potential non-compliance with laws and regulations, both those specific to the company's business and those relating to the conduct of business generally and corrective action taken by the management in this regard. For those matters where management concluded that no provisions should be recorded, we also considered the adequacy and completeness of the company's disclosures made in relation to contingent liabilities. Based on the procedures performed above, we obtained sufficient audit evidence to corroborate management's estimates for provisions and disclosures in Note 32 relating to contingencies.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.



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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

For **S. N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena
Partner
Membership No.: 077974
UDIN No.: 22077974AJHEYZ5778

Place: Gurugram
Date: 20 May 2022



Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of HeidelbergCement India Limited on the financial statements as of and for the year ended 31 March 2022)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (which are included under the head 'Property, Plant and Equipment') (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management and in respect of goods-in-transit, subsequent goods receipt have been verified. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the

aggregate for each class of inventory between physical inventory and book records were noticed on physical verification.

(b) In our opinion and according to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital or working capital limits in excess of 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

(iii) (a) According to the information and explanations given to us, the Company has granted loans to companies, firms, Limited Liability Partnerships (LLPs) or any other parties, the details of which are as follows. The Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties.

Particulars	Loans (Rs. in million)
Aggregate amount granted/provided during the year	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others	-
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others	1,500.0

(b) In our opinion, the investments made, and the terms and conditions of grant of all loans are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the principal amount is not due for repayment currently however, the receipts of the interest are regular.

(d) There is no overdue amount in respect of loan granted to such companies, firms, LLPs or any other parties.

(e) There are no loans granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 of the Act. However, the Company has complied with the provisions of Sections 186 of the Act in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year, had no unclaimed deposits at the beginning of the year and there are no amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the

opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the dues outstanding in respect of income-tax, sales-tax, service tax, duty of excise, value added tax and other statutory dues on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount* (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Central Sales tax act and various state Sales tax act	Sales tax	46.1	2000-01 to 2004-05 and 2009-2010 to 2013-14	High Court
		3.7	2010-11	Appellate Tribunal
		1.0	2000-01	Assistant Commissioner
Various State Entry Tax Act	Entry Tax	237.5	2005-06 to till date	High Court
		145.1	1999-2000 to 2007-08, 2009-10	Appellate Tribunal
Income Tax Act, 1961	Income Tax	4.7	2013-14	Income tax appellate tribunal (ITAT)
		11.8	2012-13, 2014-15 and 2017-18	Commissioner Income Tax (Appeal)
Central Excise Act, 1944	Excise Duty and Cenvat	11.5	2000-01	High court
		1.8	2006-07 to 2008-09	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act 1994 (Amended 2009)	Service Tax	8.4	2011-12 to 2012-13	Commissioner of Central Excise (Appeals)
Madhya Pradesh Rural Road Development Authority	Rural Infrastructure and Road development tax	20.4	2005-06 till date	Supreme court

*Net off of amount paid under protest

(viii) In our opinion and according to the information and explanations given to us, there are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by financial institution. Further, there is no loan or borrowings from any bank, government authority or government.

(c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds were raised on short-term basis by the Company.

(e) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.

(f) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (f) of the Order are not applicable.



- (x) (a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x) (b) of the order are not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. Accordingly, the provisions of clause 3(xi)(b) of the Order are not applicable.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order is not applicable.
- (b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, provisions of clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management, the Group does not have any CICs, which are part of the Group. We have not, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, provisions of clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3 (xvii) of the order are not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **S. N. Dhawan & Co LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN No.: 22077974AJHEYZ5778

Place: Gurugram

Date: 20 May 2022

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to financial statements of HeidelbergCement India Limited ("the Company") as of 31 March 2022 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

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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



Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. N. Dhawan & Co LLP**

Chartered Accountants

Firm's Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN No.:22077974AJHEYZ5778

Place: Gurugram

Date: 20 May 2022



Balance sheet as at 31 March 2022

Particulars	Notes	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Assets			
Non-current assets			
Property, plant and equipment	3	15,533.5	16,068.7
Right-of-use assets	39	81.3	113.6
Capital work-in-progress	3	270.0	189.1
Intangible assets	4	3.4	2.1
Financial assets			
Investment	5	48.0	-
Loans	5	-	1,500.0
Other financial assets	5	287.8	287.7
Other non-current assets	6	172.2	331.0
		16,396.2	18,492.2
Current assets			
Inventories	7	1,730.5	1,607.1
Financial assets			
Loans	5	1,500.0	-
Trade receivables	8	399.9	333.2
Cash and cash equivalents	9	3,689.5	4,302.7
Bank balances other than Cash and cash equivalents	9	131.8	13.8
Other financial assets	5	1,295.3	957.7
Other current assets	10	3,095.1	2,747.5
		11,842.1	9,962.0
Total assets		28,238.3	28,454.2
Equity and liabilities			
Equity			
Equity share capital	11	2,266.2	2,266.2
Other equity	12	13,386.2	12,672.7
		15,652.4	14,938.9
Non-current liabilities			
Financial liabilities			
Borrowings	13	1,566.4	1,744.9
Lease Liabilities	39	56.4	74.5
Other financial liabilities	14	40.4	46.8
Provisions	15	166.9	172.1
Government grants	16	214.1	359.4
Deferred tax liabilities (net)	17	2,175.3	1,937.5
		4,219.5	4,335.2
Current liabilities			
Financial liabilities			
Borrowings	13	335.8	1,200.0
Lease Liabilities	39	28.9	43.9
Trade payables	18	-	-
- Total outstanding dues of micro enterprises and small enterprises		15.6	7.8
- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,628.9	2,698.5
Other current financial liabilities	19	2,152.0	2,010.0
Other current liabilities	20	823.6	874.4
Government grants	16	145.3	145.3
Provisions	15	2,236.3	2,200.2
		8,366.4	9,180.1
Total liabilities		12,585.9	13,515.3
Total equity and liabilities		28,238.3	28,454.2
Summary of significant accounting policies	2.1		

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

As per our report of even date

For **S.N. Dhawan & Co. LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

For and on behalf of the Board of Directors of
HeidelbergCement India Limited

Rajeev K Saxena
Partner
Membership No. 077974

Anil Kumar Sharma
Chief Financial Officer

Ramakrishnan Ramamurthy
Chairman
DIN: 00680202

Jyoti Narang
Director
DIN:00351187

Kevin Gerard Gluskie
Director
DIN: 07413549

Place: Gurugram
Date: 20 May 2022

Rajesh Relan
Legal Head &
Company Secretary

Jamshed N Cooper
Managing Director
DIN:01527371

Sushil Kumar Tiwari
Whole-time Director
DIN: 03265246



Statement of profit and loss for the year ended 31 March 2022

Particulars	Notes	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Revenue from operations	21	22,969.6	21,166.7
Other income	22	490.7	464.6
Total Income (I)		23,460.3	21,631.3
Expenses			
Cost of raw material consumed	23	4,503.6	3,685.5
(Increase)/decrease in inventories of finished goods and work-in-progress	24	(217.0)	39.2
Employee benefits expense	25	1,306.8	1,273.4
Depreciation and amortization expense	26	1,120.5	1,110.3
Finance costs	27	364.4	508.5
Other expenses	28	13,030.7	11,102.2
Total Expense (II)		20,109.0	17,719.1
Profit before tax (I) - (II)		3,351.3	3,912.2
Tax expenses			
Current tax		593.0	729.3
Deferred tax charge		235.7	33.4
Total tax expense	17	828.7	762.7
Profit for the year (III)		2,522.6	3,149.5
Other comprehensive income			
Remeasurement gain/(losses) of net defined benefit plans		5.9	4.2
Income tax effect		(2.1)	(1.5)
Other comprehensive income for the year, net of tax (IV)		3.8	2.7
Total comprehensive income for the year, net of tax (III) + (IV)		2,526.4	3,152.2
Earnings per share [nominal value of share Rs 10]			
Basic and diluted	29	11.13	13.90
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **S.N. Dhawan & Co. LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

For and on behalf of the Board of Directors of
HeidelbergCement India Limited

Rajeev K Saxena
Partner
Membership No. 077974

Anil Kumar Sharma
Chief Financial Officer

Ramakrishnan Ramamurthy
Chairman
DIN: 00680202

Jyoti Narang
Director
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Kevin Gerard Gluskie
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DIN: 07413549

Place: Gurugram
Date: 20 May 2022

Rajesh Relan
Legal Head &
Company Secretary

Jamshed N Cooper
Managing Director
DIN:01527371

Sushil Kumar Tiwari
Whole-time Director
DIN: 03265246

Statement of change in equity for the year ended 31 March 2022

a. Equity Share Capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid	Numbers	Rs. in million
At 31 March 2020	226,613,116	2,266.1
At 31 March 2021	226,613,116	2,266.1
At 31 March 2022	226,613,116	2,266.1

Equity shares of Rs 10 each issued, subscribed and partly paid	Numbers	Rs. in million
At 31 March 2020	18,193	0.1
At 31 March 2021	18,193	0.1
At 31 March 2022	18,193	0.1

b. Other equity:

For the year ended 31 March 2022 (Rs in Million)

Particulars	Other Equity (Refer - Note 12)						Other item of OCI	Total
	Reserves and Surplus							
	Capital Reserve	Capital Subsidy reserve	Capital redemption reserve	Securities Premium	Debenture redemption reserve	Retained earnings		
As at 1 April 2021	672.8	6.4	159.9	3,707.1	710.1	7,446.4	(30.0)	12,672.7
Profit for the year	-	-	-	-	-	2,522.6	-	2,522.6
Dividend on equity shares	-	-	-	-	-	(1,812.9)	-	(1,812.9)
Other comprehensive income	-	-	-	-	-	-	3.8	3.8
Total comprehensive income	-	-	-	-	-	709.7	3.8	713.5
Transfer from debenture redemption reserve	-	-	-	-	-	710.1	-	710.1
Transfer to retained earnings	-	-	-	-	(710.1)	-	-	(710.1)
At 31 March 2022	672.8	6.4	159.9	3,707.1	-	8,866.2	(26.2)	13,386.2

For the year ended 31 March 2021 (Rs in Million)

Particulars	Other Equity (Refer -Note 12)						Other item of OCI	Total
	Reserves and Surplus							
	Capital Reserve	Capital Subsidy reserve	Capital redemption reserve	Securities Premium	Debenture redemption reserve	Retained earnings		
As at 1 April 2020	672.8	6.4	159.9	3,707.1	710.1	5,656.6	(32.7)	10,880.2
Profit for the year	-	-	-	-	-	3,149.5	-	3,149.5
Dividend on equity shares	-	-	-	-	-	(1,359.7)	-	(1,359.7)
Other comprehensive income	-	-	-	-	-	-	2.7	2.7
Total comprehensive income	-	-	-	-	-	1,789.8	2.7	1,792.5
Transfer from retained earnings	-	-	-	-	-	-	-	-
At 31 March 2021	672.8	6.4	159.9	3,707.1	710.1	7,446.4	(30.0)	12,672.7

As per our report of even date

For S.N. Dhawan & Co. LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev K Saxena
Partner
Membership No. 077974

Anil Kumar Sharma
Chief Financial Officer

For and on behalf of the Board of Directors of
HeidelbergCement India Limited

Ramakrishnan Ramamurthy
Chairman
DIN: 00680202

Jyoti Narang
Director
DIN:00351187

Kevin Gerard Gluskie
Director
DIN: 07413549

Place: Gurugram
Date: 20 May 2022

Rajesh Relan
Legal Head &
Company Secretary

Jamshed N Cooper
Managing Director
DIN:01527371

Sushil Kumar Tiwari
Whole-time Director
DIN: 03265246



Cash flow statement for the year ended 31 March 2022

Particulars	Notes	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Cash flow from operating activities			
Profit before tax		3,351.3	3,912.2
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		1,120.5	1,110.3
Property, plant and equipment written off		32.4	27.8
Profit on sale of property, plant and equipment (net)		(6.2)	(27.6)
Unrealized foreign exchange loss/ (gain)		(5.8)	4.1
Provision/ liabilities no longer required written back		(52.1)	(72.3)
Government grants		(145.3)	(145.3)
Interest expenses		331.6	483.2
Interest income		(279.1)	(218.0)
Operating profit before working capital changes		4,347.3	5,074.4
Movements in working capital:			
Increase/ (decrease) in trade payables and other payables		44.8	565.4
Increase / (decrease) in provisions and gratuity		36.8	(462.7)
Decrease / (increase) in trade receivables		(66.7)	(76.5)
Decrease / (increase) in inventories		(123.4)	(149.5)
Decrease / (increase) in other current and non-current assets		(673.9)	115.5
Cash generated from operations		3,564.9	5,066.6
Direct taxes paid (net of refunds)		(546.4)	(672.1)
Net cash flow from operating activities (A)		3,018.5	4,394.5
Cash flows from investing activities			
Purchase of property, plant and equipment including capital work-in-progress and capital advances		(471.1)	(484.6)
Proceeds from sale of property, plant and equipment		6.7	29.1
Purchase of investments		(48.0)	-
Loan to fellow subsidiary		-	(1,500.0)
Increase in bank balances of unpaid dividend		(5.7)	(5.0)
Increase in other bank balances		(112.3)	-
Interest received		280.4	228.6
Net cash flow used in investing activities (B)		(350.0)	(1,731.9)
Cash flows from financing activities			
Repayments of borrowings		(1,200.0)	(1,250.0)
Dividend paid		(1,807.2)	(1,354.7)
Lease repayment		(53.3)	(70.8)
Interest paid		(221.2)	(363.3)
Net cash flow used in financing activities (C)		(3,281.7)	(3,038.8)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)		(613.2)	(376.2)
Cash and cash equivalents at the beginning of the year		4,302.7	4,678.9
Cash and cash equivalents at the end of the year	9	3,689.5	4,302.7

Notes:

- The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
- Changes in liabilities arising from financing activities:

Particulars	31 March 2021	Cash flows	Non Cash changes	31 March 2022
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	2,944.9	(1,200.0)	157.3	1,902.2
	31 March 2020	Cash flows	Non Cash changes	31 March 2021
	4,050.6	(1,250.0)	144.3	2,944.9

Summary of significant accounting policies

Note 2.1

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

As per our report of even date

For S.N. Dhawan & Co. LLP

Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev K Saxena
Partner
Membership No. 077974

Anil Kumar Sharma
Chief Financial Officer

Rajesh Relan
Legal Head &
Company Secretary

Place: Gurugram
Date: 20 May 2022

For and on behalf of the Board of Directors of
HeidelbergCement India Limited

Ramkrishnan Ramamurthy
Chairman
DIN: 00680202

Jamshed N Cooper
Managing Director
DIN:01527371

Jyoti Narang
Director
DIN:00351187

Sushil Kumar Tiwari
Whole-time Director
DIN: 03265246

Kevin Gerard Gluskie
Director
DIN: 07413549

Notes to financial statements for the year ended 31 March 2022

1. CORPORATE INFORMATION

HeidelbergCement India Limited (hereinafter referred to as “HCIL” or “the Company”) is a public company domiciled in India and is incorporated on 13 May 1958 under the provisions of the Companies Act, 1956. The Company's equity is listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is 2nd Floor, Plot No. 68, Sector 44, Gurugram, Haryana 122002.

The Company is engaged in the manufacturing and selling of Cement at its three locations viz. Ammasandra (Karnataka), Damoh (Madhya Pradesh) and Jhansi (Uttar Pradesh).

The financial statements were authorised for issue in accordance with a resolution of the directors on 20 May 2022.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (“the Act”), amendment thereto and other relevant provision of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI) as applicable.

The financial statements have been prepared on historical cost basis except certain items which need to be stated at fair value (refer accounting policy regarding financial instruments).

2.1 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Foreign currency

Functional currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupees (rounded off to million) upto one decimal except when otherwise indicated.

Transactions and Translations

Foreign currency denominated monetary assets and liabilities are translated in to relevant functional currency at exchange rates in effect at the balance sheet date. The gain or losses resulting from such translations are included in net profit in the statement of profit and loss. Non-monetary assets and non- monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value is determined.

Non-monetary assets and non- monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gain or loss realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expenses and cash flow items denominated in foreign currencies are translated in to the relevant functional currencies using the exchange rate in effect on the date of transaction.



c) Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue Recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of the Company's core products i.e Cement is recognised when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations.

The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, being at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Contract Balances

Trade receivables

A trade receivable is recognised when the products are delivered to a customer as this is the point in time that the consideration becomes unconditional because only a passage of time is required before the payment is due.

Contract assets, which is a company's right to consideration that is conditional on something other than the passage of time. Currently there are no contract assets.

Contract liabilities

Contract liabilities, which is a company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relates mainly to advance payments from customers which are disclosed in Note no.20. Contract liabilities are recognised as revenue when the Company performs under the contract.

Sale of Services

Income from services rendered is recognised based on agreements / arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest

Interest income is included under the head “other income” in the statement of profit and loss if such interest income is recognized using the effective interest rate. The Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

e) Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual instalments.

Government grants related to income under state investment promotion scheme linked with VAT/SGST payment are recognised in the Statement of Profit and Loss in the period in which they become receivable.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. Government grants is recognised in profit or loss on a systematic basis over the periods in which the entity recognises the related costs for which the grants are intended to compensate.

Expenditure on power and fuel is recorded into statement of profit and loss, net of government grants in the form of concessional tariffs available to the Company.

f) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current Tax assets and Liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT Credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company is entitled to tax holiday under the Income Tax Act, 1961 enacted in India. No deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary difference originates.

g) Property, Plant and Equipment ('PPE')

The initial cost of PPE, including Capital work in progress, comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Depreciation on property, plant and equipment

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful lives estimated by the management (years)
Buildings	10 - 60
Railway Siding	15
Plant and equipments	3 - 25
Furniture and fixtures	10
Vehicles	8 - 15

The Company, based on technical assessment and management estimates, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Freehold mining land is depreciated over 5 years, which is the expected period of mineral extraction.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The amortization period and the amortization method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over useful lives, as mentioned below:

Intangible Assets	Estimated Useful Lives (Years)
Software	5

j) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land and Building	3 to 99 years
Motor vehicles and other equipments	3 to 7 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments



of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (refer note 39).

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m) Inventories

Inventories are valued as follows:

- **Raw materials, stores and spares and packing materials**

Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost is determined on a weighted average basis and includes cost incurred in bringing the material to its present location and condition.

- **Work-in-progress and finished goods**

Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

n) Provisions

General

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

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

Provision for mine reclamation expenses

The company records a provision for mines reclamation. Mine reclamation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the reclamation liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of reclamation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from such provision prospectively.

o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation at the reporting date. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

p) Retirement and other employee benefits

- (i) Superannuation Fund (being administered by Trusts) is defined contribution schemes and the contributions are charged to the statement of profit and loss for the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- (ii) Retirement benefits in the form of provident fund contributed to statutory provident fund is a defined contribution scheme and the payments are charged to the statement of profit and loss for the period when the payments to the respective funds are due. There are no obligations other than contribution payable to provident fund authorities.
- (iii) Retirement benefits in the form of provident fund contribution to trust set up by the employer is a defined benefit scheme and the amounts are charged to the statement of profit and loss for the period when the payments to the trust are due. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.
- (iv) Gratuity liability (being administered by a Trust) is a defined benefit obligation and is provided for on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year.

Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the OCI.

- (v) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

q) Financial instruments

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (that are not at fair value through profit or loss) are added to or deducted from the fair value, as appropriate, on initial recognition.

Classification and Subsequent measurement: Financial Assets

I. Non-derivative financial instruments

i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.



Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as follow:

iv) Financial liability at fair value through profit or loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

v) Other Financial Liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected, or a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;

It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

De-recognition of financial liabilities

A financial liability shall be derecognized when, and only when it is extinguished i.e when the obligation specified in the contract is discharged or cancelled or expires.

II. Derivative financial instruments and hedge accounting

The Company uses derivative financial instrument such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedge, which is recognised in OCI in the cash flow hedge reserve while any ineffective portion is recognised immediately in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in shareholder's funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to statement of profit and loss for the period.

r) Dividend Distributions

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders. A corresponding amount is recognised directly in equity.

s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



3. PROPERTY, PLANT AND EQUIPMENT**4. INTANGIBLE ASSETS**

Particulars	Freehold non mining Land	Freehold mining Land	Buildings	Railway Siding	Plant and equipment	Furniture and fixtures	Vehicles	Capital work in progress	Total	Computer Software	Total
Cost or valuation											
At 1 April 2020	129.7	448.8	1,358.0	294.1	19,202.1	93.2	184.0	159.9	21,869.8	54.8	54.8
Additions	-	3.1	15.9	13.1	287.2	10.5	9.5	365.8	705.1	0.4	0.4
Disposals	(1.6)	-	(0.1)	-	(91.8)	(2.3)	(0.6)	-	(96.4)	-	-
Capitalised during the year	-	-	-	-	-	-	-	(336.6)	(336.6)	-	-
At 31 March 2021	128.1	451.9	1,373.8	307.2	19,397.5	101.4	192.9	189.1	22,141.9	55.2	55.2
Additions	-	17.0	21.3	73.8	430.9	18.6	10.5	655.0	1,227.1	2.0	2.0
Disposals	(9.9)	-	(1.0)	(2.1)	(110.6)	(9.3)	-	-	(132.9)	-	-
Capitalised during the year	-	-	-	-	-	-	-	(574.1)	(574.1)	-	-
At 31 March 2022	118.2	468.9	1,394.1	378.9	19,717.8	110.7	203.4	270.0	22,662.0	57.2	57.2
Depreciation/ Amortization											
At 1 April 2020	-	86.6	477.5	81.1	4,145.9	48.7	61.4	-	4,901.2	52.5	52.5
Charge for the year	-	19.7	83.7	19.5	900.4	10.0	16.7	-	1,050.0	0.6	0.6
Disposals	-	-	(0.1)	-	(64.5)	(2.0)	(0.5)	-	(67.1)	-	-
At 31 March 2021	-	106.3	561.1	100.6	4,981.8	56.7	77.6	-	5,884.1	53.1	53.1
Charge for the year	-	19.7	80.8	21.6	924.3	10.7	17.3	-	1,074.4	0.7	0.7
Disposals	-	-	(0.4)	(0.3)	(92.0)	(7.3)	-	-	(100.0)	-	-
At 31 March 2022	-	126.0	641.5	121.9	5,814.1	60.1	94.9	-	6,858.5	53.8	53.8
Net book value											
At 31 March 2022	118.2	342.9	752.6	257.0	13,903.7	50.6	108.5	270.0	15,803.5	3.4	3.4
At 31 March 2021	128.1	345.6	812.7	206.6	14,415.7	44.7	115.3	189.1	16,257.8	2.1	2.1

Net book value	31 March 2022	31 March 2021
Property, plant and equipment	15,533.5	16,068.7
Capital work-in-progress	270.0	189.1
Intangible assets	3.4	2.1

Capital work in progress ('CWIP') Ageing Schedule

Projects in progress	Amount of CWIP for a period of				"Total (Rs. in Million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022	249.5	10.0	0.8	9.7	270.0
As at 31 March 2021	172.6	5.9	10.6	-	189.1

Project execution plans are modulated as per requirement on annual basis and all the projects are executed as per rolling annual plan.

5. FINANCIAL ASSETS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Investments in Equity Instruments (fully paid)		
Unquoted equity instruments		
36,36,364 (March 31, 2021: Nil) equity shares of INR. 10/- each fully paid up of Lalganj Power Private Limited ('LPPL') [refer note (i)]	48.0	-
Total	48.0	-
Current	-	-
Non-current	48.0	-
	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Loans to related party		
Unsecured, considered good		
Inter corporate loan to Zuari Cement Limited (refer note (ii) and note 31)	1,500.0	1,500.0
Total	1,500.0	1,500.0
Current	1,500.0	-
Non-current	-	1,500.0

- (i) During the year, the Company has entered into Power Purchase Agreement, Share Subscription Agreement and Shareholders Agreement with Lalganj Power Private Limited ("LPPL") on 10 August 2021 for subscribing to 36,36,364 equity shares of INR 10 each constituting 4.25% of the paid-up equity share capital at a premium of Rs. 3.2 per share aggregating to Rs. 48.0 million in order to procure around 22 Gigawatt hours per annum of solar power under captive arrangement for operating its plant located at Village Madora, District Jhansi, Uttar Pradesh, India.
- (ii) The Company has given long term loan of Rs. 1,500.0 million to Zuari Cement Limited which is repayable after expiry of 2 years from the date of loan and carries an interest at 275 basic points (bps) over and above the prevailing yield rate on government securities of three years on the date of disbursement of loan. The rate of interest so determined will remain fixed for 2 years and will be payable at quarterly intervals.

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Other financial assets		
Interest accrued on bank deposits	10.6	11.1
Interest accrued on other deposits	3.5	4.3
VAT/SGST incentive receivable (refer note 34)	1,188.2	793.4
Security Deposit	380.8	436.6
Total	1,583.1	1,245.4
Current	1,295.3	957.7
Non-current	287.8	287.7
Break up of financial assets carried at fair value through profit or loss		
Investment	48.0	-
	48.0	-
Break up of financial assets carried at amortised cost		
Loans	1,500.0	1,500.0
Other financial assets	1,583.1	1,245.4
Trade receivables (note 8)	399.9	333.2
Cash and bank balances (note 9)	3,821.3	4,316.5
Total financial assets carried at amortised cost	7,304.3	7,395.1

6 OTHER NON-CURRENT ASSETS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Capital advances	5.0	102.3
Advance income-tax (net of provision for taxation)	3.1	51.9
Prepaid expenses	164.1	176.8
Total	172.2	331.0



7. INVENTORIES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Raw materials (includes in transit Rs. 20.4 million) (31 March 2021: Rs. 21.5 million)	287.0	247.3
Work-in-progress	563.2	283.8
Finished goods	287.1	349.5
Stores and spares (includes in transit Rs. 69.3 million) (31 March 2021: Rs. 0.5 million)	593.2	726.5
Total inventories valued at lower of cost and net realizable value	1,730.5	1,607.1

8. TRADE RECEIVABLES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Trade receivables	379.8	315.3
Receivables from related parties	20.1	17.9
Total Trade receivables	399.9	333.2
Break-up for security details:		
Unsecured, considered good	399.9	333.2
Trade receivables - credit impaired	23.4	23.4
	423.3	356.6
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(23.4)	(23.4)
Total trade receivables	399.9	333.2

Trade receivables ageing schedule

As at 31 March 2022

(Rs. in million)

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	288.6	95.6	14.8	0.9	-	-	399.9
Disputed Trade receivables – credit impaired	-	-	-	-	-	23.4	23.4
	288.6	95.6	14.8	0.9	-	23.4	423.3

As at 31 March 2021

(Rs. in million)

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	257.2	73.5	2.5	-	-	-	333.2
Disputed Trade receivables – credit impaired	-	-	-	-	-	23.4	23.4
	257.2	73.5	2.5	-	-	23.4	356.6

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days.

9. CASH AND BANK BALANCES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Cash and cash equivalents		
Balances with banks:		
- on current accounts	232.0	37.3
- deposits with original maturity of less than three months	3,457.1	4,264.0
Cash on hand	0.4	1.4
	3,689.5	4,302.7
Bank balances other than Cash and cash equivalents		
Balances with banks:		
- on unpaid dividend accounts*	19.5	13.8
- as margin money deposits against guarantees	112.3	-
	131.8	13.8
	3,821.3	4,316.5

* The company can utilize these balances only toward settlement of the unpaid dividend.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

10. OTHER CURRENT ASSETS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Advances other than capital advances*	507.1	289.1
Prepaid expenses	98.3	90.1
Balances with statutory/ government authorities and Others		
- Considered good	2,386.2	2,238.6
- Doubtful	8.2	8.2
GST receivables	103.5	129.7
	3,103.3	2,755.7
Allowances for doubtful advance & deposits	(8.2)	(8.2)
Total	3,095.1	2,747.5

*Advances other than capital advances includes payment to vendors for supply of goods and services.

11. SHARE CAPITAL

	Equity Shares		Preference Shares	
	Numbers	Rs in Million	Numbers	Rs in Million
Authorized Share Capital				
At 31 March 2020	230,000,000	2,300.0	5,000,000	500.0
At 31 March 2021	230,000,000	2,300.0	5,000,000	500.0
At 31 March 2022	230,000,000	2,300.0	5,000,000	500.0

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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



Issued equity capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	Numbers	Rs in Million
At 31 March 2020	226,613,116	2,266.1
At 31 March 2021	226,613,116	2,266.1
At 31 March 2022	226,613,116	2,266.1
Equity shares of Rs 10 each issued, subscribed and partly paid	Numbers	Rs in Million
At 31 March 2020	18,193	0.1
At 31 March 2021	18,193	0.1
At 31 March 2022	18,193	0.1
Total	226,631,309	2,266.2

a. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Equity shares of Rs.10/- each fully paid

Cementrum I B V, the holding company	Numbers	Rs in Million
At 31 March 2020	157,244,693	1,572.4
At 31 March 2021	157,244,693	1,572.4
At 31 March 2022	157,244,693	1,572.4

b. Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	Numbers	% holding in the class
Equity shares of Rs.10/- each fully paid		
Cementrum I B V, the holding company		
At 31 March 2020	157,244,693	69.39%
At 31 March 2021	157,244,693	69.39%
At 31 March 2022	157,244,693	69.39%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2022 is as follows:

Promoter name	Amount of CWIP for a period of				% Change during the Year
	As at 31 March 2022		As at 31 March 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Cementrum I B V	157,244,693	69.39%	157,244,693	69.39%	-
Total	157,244,693	69.39%	157,244,693	69.39%	-

Disclosure of shareholding of promoters as at 31 March 2021 is as follows:

Promoter name	Amount of CWIP for a period of				% Change during the Year
	As at 31 March 2021		As at 31 March 2020		
	No. of shares	% of total shares	No. of shares	% of total shares	
Cementrum I B V	157,244,693	69.39%	157,244,693	69.39%	-
Total	157,244,693	69.39%	157,244,693	69.39%	-

12. OTHER EQUITY

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
A) Retained earnings		
Balance as per last financial statements	7,446.4	5,656.6
Profit for the year	2,522.6	3,149.5
Add: Amount transfer from debenture redemption reserve	710.1	-
Less: Appropriations		
Dividend on equity shares (refer note 38)	(1,812.9)	(1,359.7)
Closing balance	8,866.2	7,446.4
B) Remeasurement gain/ (losses) of net defined benefit plans, net of tax		
Balance as per last financial statements	(30.0)	(32.7)
Additions during the year	3.8	2.7
Closing balance	(26.2)	(30.0)
C) Debenture redemption reserve ('DRR')		
Balance as per the last financial statements	710.1	710.1
Add: Amount transferred to retained earnings	(710.1)	-
Closing balance	-	710.1
D) Other reserves		
Capital reserve (including opening revaluation reserve)	672.8	672.8
Capital subsidy reserve	6.4	6.4
Capital redemption reserve	159.9	159.9
Securities premium	3,707.1	3,707.1
Closing balance	4,546.2	4,546.2
Total (A+B+C+D)	13,386.2	12,672.7

Nature and purpose of reserves:

(i) Debenture redemption reserve ('DRR')

The Company had issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. As per Share Capital and Debentures amendment rules, 2019, as notified on August 16, 2019, no further DRR has been created during the year ended 31 March 2020 and 31 March 2021. Further, the company has fully repaid these non-convertible debentures during the year, therefore balance in DRR transferred to retained earnings.

(ii) Capital reserve

Pursuant to the scheme of amalgamation, excess of fair value of net assets taken by the company over the paid up value of equity shares issued to the shareholders of erstwhile Indorama Cement Limited (IRCL) and HeidelbergCement India Private Limited (HIPL) amounting to Rs. 549.7 million has been treated and shown as capital reserve w.e.f 1 April 2008. The Company may issue fully paid-up bonus shares to its members out of the Capital reserve account.

(iii) Capital redemption reserve

Capital redemption reserve was created for the redemption of preference shares. The Company may issue fully paid-up bonus shares to its members out of the Capital redemption reserve account.

(iv) Securities premium

Security premium is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium account, and company can use this reserve for buy-back of shares.



13. BORROWINGS

	Maturity	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Non-current borrowings			
From other parties			
Indian rupee loan from a party other than banks (secured) / (refer note (a))	2024-2025	1,566.4	1,744.9
Total non-current borrowings		1,566.4	1,744.9
Current borrowings			
Indian rupee loan from a party other than banks (secured) / (refer note (a))	2022-2023	335.8	-
10.4% redeemable, listed, non-convertible debentures of Rs. 10,000,000/- each (unsecured) (refer note (b))	2021-2022	-	1,200.0
Total current borrowings		335.8	1,200.0
The above amount includes			
Aggregated secured borrowings		1,902.2	1,744.9
Aggregated unsecured borrowings		-	1,200.0
Net amount		1,902.2	2,944.9

(a) India rupee loan from a party other than banks:

The Company has availed the facility of interest free loan from 'The Pradeshiya Industrial and Investment Corporation of U.P. Ltd.' ('PICUP), Lucknow in accordance with the 'Industrial Investment Promotion Scheme-2012', Uttar Pradesh. This loan is secured by bank guarantee and repayable after expiry of 7 (Seven) years from the date of disbursement of loan. Effective interest rate in respect of this borrowing is 9.01% p.a for the year ended 31 March 2022 and 31 March 2021. As on 31 March 2022, principal amount of such loan is Rs. 2,345.8 million (31 March 2021: Rs. 2,345.8 million).

(b) Non-convertible debentures:

10.4% Debentures (listed at BSE Limited) are redeemable at par in three tranches of Rs. 1,250.0 million, Rs. 1,250.0 million and Rs. 1,200.0 million at the end of 6th, 7th and 8th year respectively from the date of allotment of 16 December, 2013. The Company has repaid all these three tranches on respective due dates.

14. OTHER NON-CURRENT FINANCIAL LIABILITIES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Trade payables	40.4	46.8
	40.4	46.8

15. PROVISIONS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Non-current provisions		
Provision for gratuity (refer note 33)	166.9	172.1
	166.9	172.1
Current provisions		
Provision for litigations (refer note 32 (b) (ii))	2,101.9	2,078.8
Provision for leave benefits	62.0	61.2
Provision for gratuity (refer note 33)	63.6	57.4
Provision for mine reclamation expenses (refer note 32 (b) (iii))	8.8	2.8
	2,236.3	2,200.2

16. GOVERNMENT GRANTS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
At 1 April	504.7	650.0
Received during the year	-	-
Released to statement of profit & loss	(145.3)	(145.3)
At 31 March	359.4	504.7
Current	145.3	145.3
Non-current	214.1	359.4

The benefit of a government loan at below current market rate of interest is treated as a government grant. The loan is recognised and measured in accordance with Ind AS 109. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109 (at Fair value) and the proceeds received. Government grant is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

17. INCOME TAX & DEFERRED TAX LIABILITY

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Statement of Profit or loss:	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Current income tax:		
Current income tax charge	593.0	729.3
Deferred tax:		
Relating to origination and reversal of temporary differences	235.7	33.4
Income tax expense reported in the statement of profit or loss	828.7	762.7

Other comprehensive income ('OCI'):

Deferred tax related to items recognised in OCI during the year:

Net loss/(gain) on remeasurements of defined benefit plans	2.1	1.5
Income tax charged to OCI	2.1	1.5

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for 31 March 2022 and 31 March 2021:	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Accounting profit before income tax	3,351.3	3,912.2
At India's statutory income tax rate of 34.94% (31 March 2021: 34.94%)	1,171.1	1,367.1
Adjustments in respect of change in tax rate (refer note below)	(303.8)	(541.1)
Adjustments in respect of unused tax credit written off	4.1	-
Effect of allowances / tax holidays for tax purpose	(84.5)	(94.2)
Non-deductible expenses for tax purposes:		
Corporate social responsibility expenditure	28.1	23.7
Other non-deductible expenses	13.7	7.2
At the effective income tax rate of 24.73% (31 March 2021: 19.50%)	828.7	762.7
Income tax expense reported in the statement of profit and loss	828.7	762.7

The Government of India on 20 September, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed the net deferred tax liability of Rs. 303.8 million and Rs. 541.1 million during the year ended 31 March 2022 and 31 March 2021 respectively.



	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,236.2	2,270.5
Impact of expenditure allowed for tax purposes on payment basis but not charged to statement of profit & loss	102.4	111.1
Gross deferred tax liabilities	2,338.6	2,381.6
Deferred tax asset		
Unused tax credits (MAT credit entitlement)	-	217.1
Impact of expenditure charged to statement of profit and loss but allowable for tax purposes on payment basis	154.3	217.3
Provision for doubtful debts and advances	8.0	7.9
Others	1.0	1.8
Gross deferred tax asset	163.3	444.1
Net deferred tax liability	2,175.3	1,937.5

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised.

Reconciliation of deferred tax liabilities (net)	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Opening balance as of 1 April	1,937.5	1,902.6
Tax (income)/expense during the year recognised in profit or loss	235.7	33.4
Tax (income)/expense during the year recognised in OCI	2.1	1.5
Closing balance as at 31 March	2,175.3	1,937.5

18. TRADE PAYABLES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Trade payables (refer note a)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 40)	15.6	7.8
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,628.9	2,698.5
	2,644.5	2,706.3
Trade payables	2,556.6	2,590.2
Trade payables to related parties (refer note d)	87.9	116.1
	2,644.5	2,706.3

Trade payables Ageing Schedule As at 31 March 2022

	Outstanding for following periods from due date of payment				Total Rs in Million
	Less than 1 year Rs in Million	1-2 years Rs in Million	2-3 years Rs in Million	More than 3 years Rs in Million	
Total outstanding dues of micro enterprises and small enterprises	15.6	-	-	-	15.6
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,347.5	203.3	12.6	65.5	2,628.9
	2,363.1	203.3	12.6	65.5	2,644.5

As at 31 March 2021

	Outstanding for following periods from due date of payment				Total Rs in Million
	Less than 1 year Rs in Million	1-2 years Rs in Million	2-3 years Rs in Million	More than 3 years Rs in Million	
Total outstanding dues of micro enterprises and small enterprises	7.8	-	-	-	7.8
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,442.0	141.7	20.3	94.5	2,698.5
	2,449.8	141.7	20.3	94.5	2,706.3

19. OTHER CURRENT FINANCIAL LIABILITIES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Interest accrued but not due on borrowings (refer note b & d)	-	33.9
Trade and other deposits (refer note b & c)	2,011.9	1,906.0
Unpaid Dividend	19.5	13.8
Interest accrued on security deposits (refer note b & c)	-	22.2
Payable against purchase of property, plant and equipment	120.6	34.1
	2,152.0	2,010.0

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within 0 to 60 day terms.
- Other current financial liabilities are generally interest bearing and have an average term of six months for borrowings and one year for deposits.
- Interest payable is normally settled quarterly / half yearly / yearly throughout the financial year.
- For terms and conditions with related parties, refer to Note 31

Break up of financial liabilities carried at amortised cost

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Lease liabilities (non-current) (note 39)	56.4	74.5
Trade payables (note 18)	2,644.5	2,706.3
Trade payables (note 14)	40.4	46.8
Borrowings (current) (note 13)	-	1,200.0
Lease liabilities (current) (note 39)	28.9	43.9
Other current financial liabilities (note 19)	2,152.0	2,010.0
	4,922.2	6,081.5

Break up of financial liabilities carried at fair value through profit or loss

Borrowings (note 13)	1,902.2	1,744.9
	1,902.2	1,744.9

20. OTHER CURRENT LIABILITIES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Contract liability		
Advance from customers	342.0	285.1
Withholding income tax (TDS) payable	82.0	84.6
Goods and Service tax payable	386.6	493.4
Other statutory dues	13.0	11.3
	823.6	874.4



21. REVENUE FROM OPERATIONS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Sale of products		
Cement	22,360.4	20,856.0
Clinker	-	13.2
	22,360.4	20,869.2
Sale of Services	65.9	57.4
Other operating revenue		
VAT/SGST incentive (refer note 34)	424.6	148.5
Scrap sales	112.5	66.8
Miscellaneous income	6.2	24.8
	543.3	240.1
	22,969.6	21,166.7

21.1 Disaggregated Revenue Information

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Set out below is the disaggregation of the Company's revenue from contract with customers:		
India	22,967.4	21,166.1
Outside India	2.2	0.6
Total Revenue from operations	22,969.6	21,166.7

21.2 Contract Balances

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Trade receivables (refer Note 8)	399.9	333.2
Contract liabilities (refer Note 20)	342.0	285.1

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the respective years.

21.3 The performance obligation is satisfied upon supply of goods as and when delivered and accordingly, there is no outstanding performance obligation as on 31 March 2022 and 31 March 2021.

21.4 Sale of products is net of Rs. 1,448.8 million (31 March 2021: Rs. 1,406.6 million) on account of cash discount, rebates and incentives given to customers.

22. OTHER INCOME

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Interest income		
On bank deposits	146.9	195.4
On inter-corporate loan (refer note 31)	114.6	7.8
Others	17.6	14.8
Government grants	145.3	145.3
Rent	2.2	1.4
Provisions/ liabilities no longer required written back	52.1	72.3
Profit on sale of property, plant and equipment (net)	6.2	27.6
Exchange differences (net)	5.8	-
	490.7	464.6

Government Grants

The benefit of a government loan at below current market rate of interest is treated as a government grant. The loan is recognised and measured in accordance with Ind AS 109. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109 (at Fair value) and the proceeds received. Government grants is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

23. COST OF RAW MATERIAL CONSUMED

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Inventory at the beginning of the year	247.3	229.8
Add: Purchases during the year	4,543.3	3,703.0
	4,790.6	3,932.8
Less: Inventory at the end of the year	(287.0)	(247.3)
Cost of raw material consumed	4,503.6	3,685.5

24. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Inventories at the end of the year		
Work-in-progress	563.2	283.8
Finished goods	287.1	349.5
	850.3	633.3
Less: Inventories at the beginning of the year		
Work-in-progress	283.8	484.1
Finished goods	349.5	188.4
	633.3	672.5
	(217.0)	39.2

25. EMPLOYEE BENEFIT EXPENSE

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Salary, wages and bonus	1,145.2	1,132.7
Contribution to provident and other funds	65.8	60.5
Gratuity expense (refer note 33)	34.8	34.7
Staff welfare expenses	61.0	45.5
	1,306.8	1,273.4

26. DEPRECIATION AND AMORTIZATION EXPENSE

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Depreciation of Property, plant and equipment (note 3)	1,074.4	1,050.0
Amortization of intangible assets (note 4)	0.7	0.6
Depreciation of Right-of-use assets (note 39)	45.4	59.7
	1,120.5	1,110.3

27. FINANCE COSTS

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Interest:		
On borrowings from related party (refer note 31)	88.9	216.9
On borrowings from others	157.3	144.3
On lease liabilities (refer note 39)	7.1	10.8
Others	78.3	111.2
Bank charges	32.8	25.3
	364.4	508.5



28. OTHER EXPENSES

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Consumption of stores and spares	879.8	786.5
Freight and forwarding	2,957.1	2,773.7
Power & fuel	6,424.2	4,880.2
Rent	18.8	17.7
Repairs and maintenance		
- Buildings	121.4	87.3
- Plant and machinery	243.8	238.8
- Others	8.6	7.6
Insurance	62.5	36.4
Rates and taxes	475.3	522.4
Travelling expenses	58.9	37.7
Directors fees	4.1	2.6
Payment to auditor		
As auditor:		
Audit fees	4.2	3.7
Tax audit fees	0.3	0.3
Limited reviews	1.2	1.2
Reimbursement of expenses	0.1	0.1
Legal and professional expenses	28.6	32.2
License fees	163.6	145.1
Printing and stationery	6.9	6.9
IT and Business Support charges	153.1	185.0
Advertisement and publicity expenses	153.0	138.8
Cement handling expenses	1,000.0	965.0
Property, plant and equipment written off	32.4	27.8
Loss on foreign currency transactions	-	4.1
Corporate social responsibility expenses (note 35)	80.5	66.0
Miscellaneous expenses	152.3	135.1
	13,030.7	11,102.2

29. EARNINGS PER SHARE (EPS)

	31 March 2022 Rs in Million	31 March 2021 Rs in Million
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit after tax available to equity shareholders	2,522.6	3,149.5
Net profit for calculation of basic /Diluted EPS	2,522.6	3,149.5
	No in Million	No in Million
Weighted average number of equity shares in calculating Basic/ Diluted EPS	226.6	226.6
Basic and diluted EPS	11.13	13.90

30. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

Contingent liabilities

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

Estimates and assumptions

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

(i) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

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

Further details about gratuity obligations are given in Note 33.

(iii) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 36 of the financials.

(iv) Mines reclamation expenses:

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



31. RELATED PARTY DISCLOSURE

(a) Names of related parties and related party relationship:

I. Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate holding company
Holding company

HeidelbergCement AG
Cementum I.B.V

II. Related Parties with whom transaction have taken place

Fellow subsidiary

Zuari Cement Limited

Key management personnel

Mr. Jamshed Naval Cooper, Managing Director
Mr. Sushil Kumar Tiwari, Whole Time Director
Ms. Soek Peng Sim, Non-Executive Director
Mr. Kevin Gerard Gluskie, Non-Executive Director
Mr. Ramakrishnan Ramamurthy, Independent Director
Mrs. Akila Krishnakumar, Independent Director
(until 19 October 2021)
Mrs. Jyoti Narang, Independent Director
(w.e.f 18 August 2021)
Mr. Anil Kumar Sharma, Chief Financial Officer
Mr. Rajesh Relan, Company Secretary

(b) Related party transactions

Note 31 (a) provides the information about the company's structure including the details of the fellow subsidiary and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs. in million)

Particulars	Enterprises where controls exists		Fellow Subsidiaries	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Transactions with Cementum I B.V.:				
- Dividend paid	1,258.0	943.5	-	-
Transactions with HeidelbergCement AG:				
- License Fee	163.6	145.1	-	-
- Group Overhead Recharge	13.8	37.1	-	-
- End-user Workstation and Other IT charges	124.1	124.9	-	-
- Interest on Non-Convertible Debenture ('NCD')	88.9	216.9	-	-
- NCD repaid	1,200.0	1,250.0	-	-
- Support service income	2.6	0.7	-	-
Transactions with Zuari Cement Limited				
- Purchase of Clinker	-	-	325.6	323.2
- Sale of Clinker	-	-	-	16.9
- Support service income	-	-	75.2	67.1
- Retirement obligation for transferred employees	-	-	-	5.3
- Loan Given	-	-	-	1,500.0
- Interest income on Loan	-	-	114.6	7.8

Note: All the transactions are inclusive of tax and duty, wherever applicable.

Balance outstanding at the year ended:

(Rs. in million)

Particulars	Enterprises where controls exists		Fellow Subsidiaries	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Payable				
- HeidelbergCement AG	76.7	76.4	-	-
- Zuari Cement Limited	-	-	11.2	39.7
10.4% Non-convertible debenture				
- HeidelbergCement AG	-	1,200.0	-	-
Interest accrued but not due on debenture				
- HeidelbergCement AG	-	33.9	-	-
Receivable				
- Zuari Cement Limited	-	-	19.5	17.2
- HeidelbergCement AG	0.6	0.7	-	-
Loan given				
- Zuari Cement Limited	-	-	1,500.0	1,500.0



Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Transactions with key management personnel

Compensation of key management personnel of the Company

	31 March 2022 Rs in million	31 March 2021 Rs in million
Short-term employee benefits	48.8	50.1
Post-employment benefits	4.0	3.6
Director Sitting fees	4.1	2.6
Total compensation paid to key management personnel	56.9	56.3

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

Loans from related parties

a. Debentures

10.4% Debentures (listed at BSE Limited) are redeemable at par in three tranches of Rs. 1,250.0 million, Rs. 1,250.0 million and Rs. 1,200.0 million at the end of 6th, 7th and 8th year respectively from the date of allotment of 16 December, 2013. The Company has repaid all these three tranches on due dates.

32. COMMITMENTS AND CONTINGENCIES

a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 75.6 million (31 March 2021: Rs. 131.0 million).

b) Contingencies and Provision for litigations

i) Contingent liabilities not provided for

Particulars	31 March 2022 Rs in Million	31 March 2021 Rs in Million
(a) Claims against the company not acknowledged as debt	127.1	118.7
(b) Other money for which the company is contingently liable:		
- Excise Duty / Service Tax / CENVAT Credit	43.0	43.0
- Sales Tax / Trade Tax / Entry Tax	90.2	100.3
Total	260.3	262.0

In respect of above cases based on the favorable decisions in similar cases / legal opinions taken by the Company / discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in these financial statements.

ii) Provision for litigations

(Rs. in million)

Particulars	Balance as at 1 April 2021	Additions during the year	Amounts reversed during the year	Balance as on 31 March 2022
Trade Tax/Sales Tax/VAT	45.0	-	-	45.0
	(45.0)	-	-	(45.0)
Entry Tax	1,507.7	-	-	1,507.7
	(2,024.2)	(9.9)	(526.4)*	(1,507.7)
Provision taken for Cess on Captive Power	86.8	-	-	86.8
	(86.8)	(-)	(-)	(86.8)
Rural Infrastructure and Road	238.4	22.5	-	260.9
Development tax, Madhya Pradesh	(215.0)	(23.4)	(-)	(238.4)
Environment protection fees, Karnataka	14.5	-	-	14.5
	(14.5)	(-)	(-)	(14.5)
Other Litigations#	186.4	0.6	-	187.0
	(162.5)	(23.9)	(-)	(186.4)
TOTAL	2,078.8	23.1	-	2,101.9
	(2,548.0)	(57.2)	(526.4)	(2,078.8)

Note: Figures in brackets are for the previous year.

*Provision for Entry tax set off with deposit under protest by MINR 526.4 under UP Amnesty scheme.

#Other Litigation include provision for an amount of MINR 140.5 against an adverse award passed by the Arbitration Tribunal wherein they have allowed certain counter claim of the supplier. The Company challenged the perverse award before the Single Judge of Delhi High Court which was rejected by the single Judge vide its order dated 29.01.2020. An application challenging the Arbitration Award and the order of the Single Judge was filed before Delhi High Court which granted a stay against the execution of the Arbitration Award till final disposal of the application subject to payment of principal amount of the award to the Registrar of the Delhi High Court by the Company. As per the order, the principal amount has been paid to the Registrar of the Delhi High Court during the year. This case is pending for disposal before Delhi High Court.

Above provisions have been made against demands raised by various authorities. All these cases are under litigation and are pending with various authorities; expected timing of resulting outflow of economic benefits cannot be specified. Amount deposited under protest against these provisions are shown under other current assets in note no.10.

iii) Movement of provision for Mine reclamation expenses during the year as required by Ind AS 37:

Particulars	31 March 2022 Rs in Million	31 March 2021 Rs in Million
Opening provision	2.8	2.8
Add: Provision made during the year	6.0	-
Less: Provision utilised during the year	-	-
Closing provision	8.8	2.8

Mine reclamation expense is incurred on an ongoing basis and until the closure of mines. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.



33.A) GRATUITY AND OTHER EMPLOYMENT BENEFIT PLANS

The Company has three post-employment funded plans, namely Gratuity, Superannuation and Provident Fund.

Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/ termination/ resignation. The benefit vests on the employee after completing 5 years of service. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Plan assets also include investments and bank balances used to deposit premiums until due to the insurance company.

Retirement benefits in the form of Superannuation Fund (being administered by Trusts) are funded defined contribution schemes and the contributions are charged to the Statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable.

The Provident Fund being administered by a Trust is a defined benefit scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the Government for the Employees Provident Fund. Based on latest actuarial valuation of the said trust, there is no deficit in the fund.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss

(i) Net employees benefit expense recognized in employee cost:

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Current service cost	22.0	22.2
Interest cost on benefit obligation	21.0	21.1
Expected return on plan assets	(8.1)	(8.6)
Defined benefit cost included in Statement of Profit & Loss	34.8	34.7

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Remeasurement recognised in other comprehensive income		
- Change in demographic assumptions	(4.6)	-
- Changes in financial assumptions	(1.5)	(1.9)
- Change in experience adjustments	5.6	(3.7)
- (Return) on plan asset (excluding interest income)	(5.4)	1.4
Amount recognised in OCI	(5.9)	(4.2)

Balance Sheet

(ii) Reconciliation of the net defined benefit (asset) liability

The following table shows reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

(Rs. in million)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Balance at the beginning of the year	356.2	366.0
Current service cost	22.0	22.2
Interest cost on benefit obligation	21.0	21.1
Actuarial (gains) losses recognised in other comprehensive income		
- change in demographic assumption	(4.6)	-
- changes in financial assumptions	(1.5)	(1.9)
- experience adjustments	5.6	(3.7)
- decrease due to effect of transfers	-	(4.5)
Benefit paid	(59.4)	(43.0)
Balance at the end of the year	339.2	356.2

Reconciliation of the present value of plan assets

(Rs. in million)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Balance at the beginning of the year	126.6	136.6
Expected return	8.1	8.6
Contribution by employer	28.0	25.8
Return on plan assets recognised in other comprehensive income	5.4	(1.4)
Benefits paid	(59.4)	(43.0)
Balance at the end of the year	108.7	126.6

Details of Provision for gratuity

(Rs. in million)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Present value of defined benefit obligation	339.2	356.2
Present value of plan assets	(108.7)	(126.6)
Net defined benefit liability	230.5	229.6

(iii) Plan assets

The major categories of plan assets of the fair value of total plan assets are as follows:

Particulars	31 March 2022	31 March 2021
	%	%
Investments with insurer	96.05	96.41
Investments in government bonds	0.08	0.07
Bank balance	3.87	3.52
Total	100.00	100.00

The principal plan asset consists of a scheme of insurance taken by the Trust, which is a qualifying insurance policy.



(iv) Defined benefit obligation

- Actuarial assumptions

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	6.50%	6.40%
Salary increase rate	7.50%	7.50%
Attrition rate	8.00%	5.00%

Note:

The estimate of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published statistics and mortality tables.

- Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in million)

Gratuity Plan	Sensitivity level		Impact on DBO	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Assumptions				
Discount rate	0.5%	0.5%	(7.4)	(9.1)
	-0.5%	-0.5%	7.8	9.6
Future salary increases	0.5%	0.5%	6.8	8.6
	-0.5%	-0.5%	(6.6)	(8.2)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The following payments are expected contributions to the defined benefit plan in future years:

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Within the next 12 months (next annual reporting period)	63.6	57.4
Between 2 and 5 years	217.8	201.7
Beyond 5 years	173.3	200.3

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (31 March 2021: 6 years).

B) PROVIDENT FUND

Provident fund for certain eligible employees is managed by the Company through trust "Mysore Cement Limited officers' and staff provident fund trust", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below there is no shortfall as at 31 March, 2022 and 31 March, 2021 respectively.

The details of the fund and plan assets position are as follows:

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Plan assets at year end, at fair value	331.3	317.1
Present value of defined obligation at year end	248.3	229.8
Assets recognised in Balance Sheet	-	-

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	31 March 2022	31 March 2021
Discount rate	6.50%	6.40%
Expected guaranteed interest rate	8.10%	8.50%
Expected Rate of Return on Asset	8.29%	8.45%

(c) Contribution to Defined Contribution Plans included under head 'Contribution to PF and other funds' under Note 25 'Employee benefit Expenses'

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Provident Fund	50.8	49.8
Other Post Employment Funds	8.5	4.2
Total	59.3	54.0

34. TAX INCENTIVE

The Company is entitled to benefits under the Madhya Pradesh State Industrial Promotion Policy, 2004 and 2010 for the increased cement production facility at Damoh, Madhya Pradesh w.e.f. 18 February 2013. Under the said policy, the Company has been exempted from payment of Entry Tax on input materials for a period of 7 years and also claim refund upto 75% of VAT/CST paid (which is subsumed on GST) on sales for a period of 10 years within the state of Madhya Pradesh in respect of the increased production facility. In pursuance of order issued by the Government of Madhya Pradesh dated 15 March 2021, the Company has accrued SGST incentive of Rs. 148.5 million for the year ended 31 March 2021. Further, the Company during the year has received approval from the State Government of Madhya Pradesh for its SGST claims pertaining to earlier years. Accordingly, the SGST incentives amounting to Rs. 424.6 million (including Rs. 205.9 million for earlier years) have been accrued under the head 'other operating revenue' for the year ended 31 March 2022.

35. DETAIL OF CSR EXPENDITURE

a) Gross amount required to be spent by the company during the year:

During the year, the gross amount required to be spent by the Company on activities related to Corporate Social Responsibility (CSR) amounted to Rs. 75.3 million (31 March 2021: Rs. 63.1 million).

b) Amount spent during the year ended on 31 March 2022 (Rs. in million)

S. N. Particulars	Amount incurred	Amount yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	80.5	-	80.5
Total	80.5	-	80.5

c). Amount spent during the year ended on 31 March 2021 (Rs. in million)

S. N. Particulars	Amount incurred	Amount yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	66.0	-	66.0
Total	66.0	-	66.0



36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

- credit risk (see 36(ii));
- liquidity risk (see 36 (iii)); and
- market risk (see 36(iv)).

(i) Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The Audit Committee is assisted in its oversight role by the senior management of the Company and through the periodical internal audits carried out by the Internal Auditors.

(ii) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company has no significant concentration of credit risk with any counter party.

Trade receivables

Customer credit risk is managed in line with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed through internal evaluation which takes into account the financial parameters, past experience with the counter party and current economic/market trends. Individual credit limits are thus defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by advances, security deposits, bank guarantees etc.

Trade receivables are consisting of a large number of customers. The Company does not have higher concentration of credit risks to a single customer. Single largest customer has total exposure in sales 0.07% (31 March 2021: 0.10%) and in receivables 3.58% (31 March 2021: 5.96%).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made with approved counter parties only.

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's treasury department monitors liquidity on an ongoing basis through rolling cash flow forecasts. The Company's objective is to maintain timely and adequate funding for its operations via multiple sources including but not limited to bank overdrafts, bank loans, debentures, preference shares etc. Approximately 14% of the Company's debt will mature in less than one year at 31 March 2022 (31 March 2021: 34%) based on the carrying value of borrowings reflected in the financial statements.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

Maturities of financial liabilities

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

	Less than one year	1 to 5 years	> 5 years	Total
Year ended				
31 March 2022				
Borrowings*	335.8	2,010.0	-	2,345.8
Other financial liabilities	2,152.0	40.4	-	2,192.4
Lease Liability	28.9	37.0	19.4	85.3
Trade and other payables	2,644.5	-	-	2,644.5
	5,161.2	2,087.4	19.4	7,268.0
Year ended				
31 March 2021				
Borrowings*	1,200.0	2,345.8	-	3,545.8
Other financial liabilities	2,010.0	46.8	-	2,056.8
Lease Liability	43.9	53.7	20.8	118.4
Trade and other payables	2,706.3	-	-	2,706.3
	5,960.2	2,446.3	20.8	8,427.3

*This represents interest free loan without discounting.

(iv) Market risk

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

The Company's treasury department is entrusted with managing the overall market risks in line with the company's established risk management policies which are approved by the Senior Management and Audit Committee.

I. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest risk arises from the long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the company agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Generally, the company raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the company borrowed at fixed rates directly.

The Company is thus not exposed to significant interest rate risks at the respective reporting dates.

II. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating or financing activities and the same are hedged in line with established risk management policies of the Company.

When a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.



Outstanding Unhedged Foreign Currency Exposure

Particulars	Currency	31 March 2022			31 March 2021		
		Amount in foreign currency	Exchange Rate	Rs. in million	Amount in foreign currency	Exchange Rate	Rs. in million
Trade Payables	USD	-	-	-	22,500.0	73.13	1.6
	EUR	579,253.2	84.20	48.8	679,953.3	85.78	58.3
Trade Receivable	EUR	7,378.0	84.20	0.6	7,051.0	85.78	0.6

Foreign currency sensitivity on unhedged exposure:

1% increase in foreign exchange rates will have the following impact on profit before tax:

Particulars	31 March 2022	31 March 2021
USD	-	(0.02)
EUR	(0.48)	(0.58)

Note: If the rate is decreased by 100 bps, profit will increase by an equal amount.

The Company is thus not exposed to significant foreign currency risks at the respective reporting dates.

37. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company includes within net debt, interest bearing loans and borrowings (including government grants) less cash and cash equivalents.

Particulars	(Rs. in million)	
	31 March 2022	31 March 2021
Borrowings (Non-current and Current)	1,902.2	2,944.9
Government grants (Non-current and Current)	359.4	504.7
Less: Cash and cash equivalents	(3,689.5)	(4,302.7)
Net debt (A)	(1,427.9)	(853.1)
Total Equity Capital (B)	15,652.4	14,938.9
Capital and net debt (C) = (A) + (B)	14,224.5	14,085.8
Gearing ratio (D) = (A)/(C)	(10.04)	(6.06)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

38. DIVIDEND PAID AND PROPOSED

Particulars	(Rs. in million)	
	31 March 2022	31 March 2021
Dividend declared and paid during the year:		
Final Dividend for the year ended on 31 March 2021: Rs 8 per share (31 March 2020: Rs 6 per share)	1,812.9	1,359.7
	1,812.9	1,359.7
Proposed Dividends on equity shares:		
Proposed dividend for the year ended on 31 March 2022 Rs. 9 per share (31 March 2021: Rs 8 per share)	2,039.5	1,812.9
	2,039.5	1,812.9

Proposed dividends on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability as at 31 March 2022.



39. LEASES

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(Rs. in million)

Particulars	Land & Buildings	Vehicles	Total
Right of Use assets			
At 1 April 2020	113.3	68.3	181.6
Additions	39.1	34.2	73.3
Disposals	(67.6)	-	(67.6)
At 31 March 2021	84.8	102.5	187.3
Additions	13.1	-	13.1
Disposals	-	-	-
At 31 March 2022	97.9	102.5	200.4
Depreciation / Amortization			
At 1 April 2020	35.4	26.9	62.3
Depreciation Expenses	27.1	32.6	59.7
Disposals	(48.3)	-	(48.3)
At 31 March 2021	14.2	59.5	73.7
Depreciation Expenses	20.9	24.5	45.4
Disposals	-	-	-
At 31 March 2022	35.1	84.0	119.1
Net book value			
At 31 March 2022	62.8	18.5	81.3
At 31 March 2021	70.6	43.0	113.6

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease Liability

(Rs. in million)

Particulars	31 March 2022	31 March 2021
At 1 April	118.4	126.6
Additions	13.1	51.8
Accretion of interest	7.1	10.8
Payments	(53.3)	(70.8)
At 31 March	85.3	118.4
Current	28.9	43.9
Non-Current	56.4	74.5

The maturity analysis of lease liabilities are disclosed in Note 36.

The effective interest rate for lease liabilities is in the range of 5.54% to 8.82%, with maturity between 2022-2087.

The following are the amounts recognized in profit or loss:

(Rs. in million)

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	45.4	59.7
Interest expense on lease liabilities	7.1	10.8
Variable lease payments (included in other expenses)	18.8	17.7

40. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(Rs. in million)

S.N	Particulars	31 March 2022	31 March 2021
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount due to micro and small enterprises (Not overdue)	15.6	7.8
	- Interest due on above	-	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

41. The Company is primarily engaged in the manufacturing of cement and hence entire operation represents a single primary segment. The company operates within India only and hence geographical segment is also not applicable to the company.

42. The Company is taking all possible steps to mitigate the effect of COVID-19 on its business and operations to the extent possible and has considered all possible effects from COVID-19 in the preparation of these financial results. The management has also evaluated the possible impact of the pandemic on the business operations and based on its assessment of the current Indicators of the future economic conditions, it is expected that the carrying amount of assets will be recovered.

43. STANDARDS NOTIFIED BUT NOT YET EFFECTIVE

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

44. ADDITIONAL STATUTORY INFORMATION

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) Ratio Analysis and its elements:

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021



Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	%change
Current ratio (in times)	Current Assets	Current Liabilities	1.42	1.09	30.4%
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.12	0.20	-38.4%
Debt Service Coverage ratio (in times)	Earnings before Depreciation, Finance cost and Tax	Interest on long term debt + Principal repayment within next 12 months	8.31	3.54	134.6%
Return on Equity ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	16.5%	22.4%	-5.9%
Inventory Turnover ratio (in days)	Cost of goods sold	Average Inventory	8.09	8.08	0.1%
Trade Receivable Turnover Ratio (in days)	Revenue from operation (incl. GST)	Average Trade Receivable	4.66	4.02	16.0%
Trade Payable Turnover Ratio (in days)	Total Operating Cost (incl. GST)	Average Trade Payables	41.46	47.00	-11.8%
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	6.45	26.76	-75.9%
Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	11.25%	15.05%	-3.8%
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	18.8%	22.2%	-3.4%
Return on Investment (%)	Interest (Finance Income)	Investment = Loan + Interest bearing security deposit	7.1%	7.2%	-0.2%

Notes: The Company's Current Ratio, Debt- Equity Ratio, Debt Service Coverage ratio and Net Capital Turnover Ratio improved mainly on account of debt repayments during the year.

45. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

For **S.N. Dhawan & Co. LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

For and on behalf of the Board of Directors of
HeidelbergCement India Limited

Rajeev K Saxena
Partner
Membership No. 077974

Anil Kumar Sharma
Chief Financial Officer

Ramakrishnan Ramamurthy
Chairman
DIN: 00680202

Jyoti Narang
Director
DIN:00351187

Kevin Gerard Gluskie
Director
DIN: 07413549

Place: Gurugram
Date: 20 May 2022

Rajesh Relan
Legal Head &
Company Secretary

Jamshed N Cooper
Managing Director
DIN:01527371

Sushil Kumar Tiwari
Whole-time Director
DIN: 03265246

HeidelbergCement India Limited

CIN: L26942HR1958FLC042301

Regd. Office: 2nd Floor, Plot No. 68, Sector 44, Gurugram, Haryana - 122002

Ph. +91 0124-4503700, Fax +91 0124-4147698

Email Id: investors.mcl@mycem.in; Website: www.mycemco.com

NOTICE

of the Annual General Meeting

NOTICE is hereby given that the 63rd Annual General Meeting of the Members of the Company will be held at 11:00 A.M. on Thursday, the 08 September 2022 through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED that the Audited Financial Statements of the Company consisting of Balance Sheet as at 31 March 2022, Profit and Loss Account and Cash Flow Statement for the financial year ended on that date including notes thereto together with the Reports of the Board of Directors and Auditors thereon, already circulated to the members and now submitted to this meeting be and are hereby received and adopted."

2. To declare Dividend on Equity Shares and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED that a Dividend of Rs. 9 per Equity Share of Rs. 10 each (i.e., 90%) for the Financial Year 2021-22, as recommended by the Board of Directors at its meeting held on 20 May 2022 be and is hereby declared."

3. To appoint a Director in place of Mr. Kevin Gerard Gluskie, who retires by rotation and being eligible has offered himself for reappointment and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Kevin Gerard Gluskie (holding DIN 07413549) who retires in accordance with the provisions of the Companies Act, 2013 and has offered himself for reappointment be and is hereby reappointed as Director of the Company liable to retire by rotation."

4. To reappoint M/s. S.N. Dhawan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a further term of five years and fix their remuneration and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder M/s. S.N. Dhawan & Co., Chartered Accountants (Firm Registration No.:

000050N/N500045) be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of 63rd Annual General Meeting until the conclusion of 68th Annual General Meeting (FY 2022-23 to FY 2026-27) at a fee of INR 5.7 million for the financial year 2022-23, in addition to reimbursement of applicable taxes and out of pocket expenses in connection with Audit of the accounts of the Company."

SPECIAL BUSINESS:

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

"RESOLVED that Mr. Vimal Kumar Jain (holding DIN 09561918) who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 10 June 2022 and who holds office up to the date of this Annual General Meeting of the Company under Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director liable to retire by rotation."

6. To consider and if thought fit to pass, with or without modification(s) the following as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder including any statutory modification(s) and/or re-enactment thereof, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Vimal Kumar Jain (holding DIN 09561918), as a Whole-time Director of the Company for a term of three years from 10 June 2022 till 09 June 2025, on the terms and conditions as detailed in Statement pursuant to Section 102 of the Act.

RESOLVED FURTHER that pursuant to Section 152 of the Companies Act, 2013, Mr. Vimal Kumar Jain shall be liable to retire by rotation.

RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Act and the Rules made thereunder including any statutory modification(s) and/or re-enactment thereof, the terms of remuneration of



Mr. Vimal Kumar Jain effective from 10 June 2022 as set out in the Statement pursuant to Section 102 of the Act be and are hereby approved.

RESOLVED FURTHER that pursuant to Section II of Part II of Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the remuneration as detailed in the Statement pursuant to Section 102 of the Act annexed hereto as minimum remuneration to Mr. Jain in any financial year, in which the Company has no profit or the profit is inadequate.

RESOLVED FURTHER that the Nomination and Remuneration Committee and the Board of Directors of the Company shall, in accordance with the statutory limits/approvals as may be applicable for the time being in force, be at full liberty to revise and/or change the terms and conditions of the appointment and remuneration of Mr. Jain from time to time as may be deemed appropriate.”

7. To ratify the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants as Cost Auditors and in this regard pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No. 000026) appointed by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year 2022-23, amounting to Rs. 2,50,000 (Rupees Two Lac Fifty Thousand only) plus applicable taxes, reasonable out of pocket expenses and reimbursement of travelling expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

By Order of the Board

Date: 20 May 2022

Rajesh Relan

Place : Gurugram Legal Head & Company Secretary

Regd. Office: 2nd Floor, Plot No. 68,
Sector 44, Gurugram, Haryana -122002
CIN: L26942HR1958FLC042301

NOTES:

1. In view of the continuing COVID-19 pandemic and social distancing norms to be followed, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 05 May 2022 read with circulars dated 13 January 2021, 05 May 2020, 13 April 2020 and 08 April 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. Pursuant to the General Circular No. 14/2020 dated 08 April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 and the Registered Office of the Company will be deemed to be venue for the purpose of this meeting.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 05 May 2022, 13 January 2021, 05 May 2020, 13 April 2020 and 08 April 2020 and the circular issued by SEBI dated 9 December 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the authorized agency, for facilitating voting through electronic means. The facility of casting votes by a

member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.

6. The Notice calling the AGM has been uploaded on the website of the Company in the Investor Relations Section under Financials in the Annual Reports tab. The complete Annual Report is also available in the same section. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 3/2022 dated 05 May 2022, MCA Circular No. 2/2021 dated 13 January 2021, MCA Circular No. 20/2020 dated 05 May 2020, MCA Circular No. 17/2020 dated 13 April 2020 and MCA Circular No. 14/2020 dated 08 April 2020.
8. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at the Email-ID investors.mcl@mycemco.com till the date of AGM. Similarly, statutory registers that are available for inspection at the registered office of the Company in the normal course of business hours prior to and during the continuance of e-AGM at the deemed venue of meeting, may also be accessed through the above-mentioned mode.
9. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the information about the Directors proposed to be appointed/ reappointed at the Annual General Meeting is given below as part of Notice.
10. Statement pursuant to section 102 of the Companies Act, 2013 is annexed.
11. (a) The Dividend on equity shares, if declared, at the AGM will be credited/despached within thirty days from the date of AGM to those members whose names appear on the Company's Register of Members as on record date i.e., 01 September 2022. In respect of the shares held in dematerialised form the dividend will be paid to the members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on record date i.e., 01 September 2022. In case of joint holders only the first holder will be entitled to receive dividend.
- (b) Members holding shares in electronic form may note that the bank particulars registered against their respective demat accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Integrated Registry Management Services Private Limited (RTA) cannot act on any request received directly from the members holding shares in electronic form

for any change of bank particulars or bank mandates. Such changes need to be advised by the members directly to the depository participants with whom they are maintaining a demat account.

- (c) Members holding shares in physical form are requested to immediately advise any change in their address or bank particulars to the Company or its Registrars and Transfer Agents, Integrated Registry Management Services Private Limited so that the same can be updated in the Register of Members before processing of dividend payment.
- (d) Non-Resident Indian (NRI) members are requested to inform RTA (for physical shares) / their DPs (for dematerialized shares), immediately of:
 - Change in their residential status on return to India for permanent settlement.
 - Particulars of their PAN and bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier, to facilitate payment of dividend.
- (e) The Company has placed on its website www.mycemco.com, the details of unclaimed dividends for FY2016-17, FY2017-18, FY2018-19 (both Interim and Final), FY2019-20 (both Interim and Final) and FY2020-21. The concerned shareholders may approach Registrars and Transfer Agents, Integrated Registry Management Services Private Limited to claim the same. **The members may note that in case their dividend payments for seven consecutive years remain unclaimed then not only such unclaimed / unpaid dividend amount but also the underlying shares will be liable for transfer to Investor Education and Protection Fund constituted by Government of India in this regard.**
12. Members who continue to hold the shares in physical form are requested to inform any change in their address, bank particulars, nominee, email address etc., to the Registrar & Share Transfer Agents. Members holding shares in dematerialized form are requested to approach their Depository Participant for change of address, bank particulars, nominee, email address etc.
13. **In accordance with the directions issued by SEBI, it is mandatory for the members holding shares in physical mode to submit their Permanent Account Number (PAN) and Bank Account Details to the Company / RTA, in case they have not yet submitted the same.**
14. Members are requested to note that in case of deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transmission/transposition, is mandatory.
15. SEBI vide its Notifications dated 8 June 2018 & 30 November 2018 amended Regulation 40 of SEBI Listing



Regulations, which provides that from April 1, 2019 transfer of securities would not be processed unless the securities are held in the dematerialised form with a depository. Further, SEBI vide its circular dated 7 September 2020 had fixed 31 March 2021 as cut-off date for re-lodgement of physical share transfer requests (earlier returned by RTA under objection) and has stipulated that such transferred shares shall be issued only in demat mode. In view of the above, Members are advised to dematerialize shares held by them in physical form.

16. In accordance with the provisions of Section 72 of the Companies Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at <https://www.mycemco.com/investor-information>. Members are requested to submit the said details to their respective DP, in case the shares are held by them in dematerialised form and to the Company/RTA, in case the shares are held by them in physical form
17. Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with the share certificates so as to enable the Company to consolidate their holdings into one folio.
18. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend the meeting and vote on their behalf.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 05 May 2022 read with circular dated 13 May 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email

addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 are also available on the Company's website www.mycemco.com, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.

20. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and with their depository participants (in case of shares held in demat mode).

A Resident individual shareholder holding PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to irg@integratedindia.in by 11:59 P.M. IST until 01 September 2022. **Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.**

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to irg@integratedindia.in and copy marked to investors.mcl@mycem.in. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 P.M. IST until 01 September 2022.

21. Since the AGM will be held through VC / OAVM, the route map, attendance slip and proxy form are not annexed to this Notice.
22. Process for registration of email-id for obtaining Annual Report and user-id/password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	<p>Send a request to the RTA at irg@integratedindia.in providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) for registering email address along with duly filled Form ISR-1 prescribed by SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03 November 2021.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solution d) 9 digit MICR Code Number, and e) 11 digit IFSC Code f) Scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.</p>

VOTING THROUGH ELECTRONIC MEANS

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014; Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the 63rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting System. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. A member may exercise his/her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency.

The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.

The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.



but shall not be entitled to cast their vote again. If a member casts vote(s) by both the modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as invalid.

III. The remote e-voting period commences on 05 September 2022 (9:00 A.M.) and ends on 07 September 2022 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 01 September 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution has been cast by a member, no change shall be allowed subsequently. A person who is not a Member on the cut-off date should treat this notice for information purpose only.

IV. The process and manner for remote e-voting are as under:

Step 1: Access to NSDL e-Voting system

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

As per circular of SEBI on e-Voting facility provided by Listed Entities, dated 09 December 2020, all individual shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat account maintained with Depositories and Depository Participants in order to increase the efficiency of the voting process. Shareholders are advised to update their mobile number and e-mail ID with their Depository Participants in order to access e-voting facility.



2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at: <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is

a) For Members who hold shares in demat account with NSDL.	8 Character DP-ID followed by 8 Digit Client-ID For example if your DP-ID is IN300*** and Client-ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number

for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

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

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

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

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

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same persons as are mentioned for Remote e-voting.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to officenns@gmail.com with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email-ids are not registered with the depositories for procuring user-id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to irg@integratedindia.in.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to irg@integratedindia.in. If you are an



individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user-id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- V. The voting rights shall be as per the number of equity shares held by the members as on the cut-off date of 01 September 2022.
- VI. Any person, who acquires shares of the Company and becomes a member after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e., 01 September 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or contact NSDL at toll free no.: 1800-222-990.

However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at toll free no.: 1800-222-990.

- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM venue. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.
- VIII. Mr. Nityanand Singh, Company Secretary in Whole-time Practice (FCS No. 2668, CP No. 2388) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. Mr. Harish Damani, Company Secretary in Whole-time Practice (FCS No. 10714, CP No. 14471) has been appointed as an alternate scrutinizer.
- IX. The Chairman of the AGM, at the end of discussion on the resolutions on which voting is to be held, allow e-voting on the day of AGM for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- X. The Scrutinizer/ alternate scrutinizer shall after the conclusion of voting at the AGM, shall access NSDL's e-voting portal and unblock the votes cast through remote e-voting as well as through e-voting on AGM day

in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by him.

- XI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.mycemco.com) and on the website of NSDL immediately after the declaration of result by the Chairperson or a person authorized by the Board of Directors/Chairperson. The results shall also be submitted to BSE Limited and National Stock Exchange of India Limited.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are requested to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP-ID and Client-ID/ Folio Number, PAN, Mobile Number at investors.mcl@mycem.in at least 72 hours before the start of the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No.: 4

M/s. S.N. Dhawan & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 58th Annual General Meeting ('AGM') held on 22 September 2017 for a term of five years, up to the conclusion of 63rd AGM.

M/s. S.N. Dhawan & Co. LLP, Chartered Accountants, is one of the largest Chartered Accountants firms operating in India since 1944. It has offices in Bengaluru, Delhi, Gurugram, Indore and Kolkata. The firm has 20 partners who are supported by a strong and experienced large team of Directors, Managers, Senior and Junior Auditors and IT Specialists to serve clients' needs. The firm possesses in-depth experience in various sectors viz., manufacturing, construction, infrastructure, retail, FMCG, real estate, IT and ITES, e-commerce, power and energy, engineering consultancy, BFSI, automotive etc. The firm is registered with Comptroller and Auditor General of India and Reserve Bank of India (RBI) for conducting audits of PSU's and Banks. M/s. S.N. Dhawan & Co. LLP is a member firm of Mazars and as such it has access to their technical expertise and audit tools.

M/s. S.N. Dhawan & Co. LLP are eligible for reappointment for a further term of five years. They have given their consent for reappointment as Statutory Auditors of the Company and have issued a certificate confirming that their proposed reappointment is within the limit prescribed under Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. S.N. Dhawan & Co. LLP have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

The Audit Committee after duly assessing the effectiveness of statutory audit process and auditors' independence and performance on annual basis, keeping in view the relevant parameters such as experience and expertise of lead partner, profile of members of audit team, involvement of the lead partner and process for audit planning and execution etc, has recommended the reappointment of M/s. S.N. Dhawan & Co. LLP.

Based on the recommendation of the Audit Committee, the Board of Directors has proposed that the members may reappoint M/s. S.N. Dhawan & Co. LLP, (Firm Registration No. 000050N/N500045) as the Statutory Auditors of the Company for a further term of five consecutive years to hold office from the conclusion of the ensuing 63rd AGM till the conclusion of the 68th AGM of the Company at a remuneration of INR 5.7 million for conducting audits for the financial year 2022-23 in addition to reimbursement of applicable taxes and out of pocket expenses.

The Board may also alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Board has recommended the resolution set out at Item No. 4 of the Notice for approval of the members at the ensuing AGM.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the aforesaid resolution.

Item Nos.: 5 and 6

The Board of Directors of the Company at its meeting held on 20 May 2022 had appointed Mr. Vimal Kumar Jain as an Additional Director and Whole time Director of the Company for a term of three years from 10 June 2022 to 09 June 2025. In accordance with the provisions of Section 161, Section 196 and other applicable provisions of the Companies Act, 2013 it is proposed to obtain approval of the members in this regard through resolutions set out at Item No. 5 and 6 of the Notice. Brief profile of Mr. Jain is given below:

Mr. Vimal Kumar Jain, aged 54 years, has done B.E.- Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU. In his career spanning over 30 years, consisting of 19 years abroad and 11 years in India, he has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning. He has a successful track record for developing strategic initiatives, organizational improvements, capacity expansions, de-bottlenecking, production and quality improvements, adoption of new technologies, overall cost reductions, waste processing, and working with diverse cultures & challenging environment.

Mr. Jain is working with HeidelbergCement Group since 2007. He has worked as Project Manager with Heidelberg Technology Centre handling projects in Indonesia and Thailand. He joined HeidelbergCement India Limited on 3 January 2022 as Technical Director. Prior to joining HeidelbergCement Group, he has worked with RAK Cement of U.A.E., Prism Cements and Raymond Cement in various capacities in projects and technical function.

Mr. S.K. Tiwari who was working with the Company as Whole-time Director superannuated on 09 June 2022. Therefore, in view of the rich and vast experience of Mr. Jain, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on 20 May 2022 has appointed Mr. Vimal Kumar Jain as Whole-time Director of the Company for a term of three years from 10 June 2022 to 09 June 2025.

The terms and conditions of Mr. Jain's remuneration effective from 10 June 2022 in accordance with the Nomination and Remuneration Policy of the Company are as under:

- i) Basic Salary: Rs. 6,361,320 per annum. The annual increment, in accordance with the Nomination and Remuneration Policy of the Company, will be effective from 01 January 2023.
- ii) House Rent Allowance: 50% of the basic salary.
- iii) Variable Pay: Variable Pay shall be equivalent to Rs. 3,512,652 on 100% achievement of the Company's and individual targets set at the beginning of the year. It can vary between 0% to 200% of the base amount of Rs. 3,512,652 depending upon results of evaluation of individual's and Company's performance. The annual increment in variable pay will also be effective from 01 January 2023.
- iv) Long Term Incentive Plan (LTIP): LTIP shall be equivalent to Rs. 4,086,547 on 100% achievement of the targets set by HeidelbergCement AG (ultimate holding company)



at the global level. It can vary between 0% to 200% of the base amount of Rs. 4,086,547 depending upon achievement of the set targets. The annual increment in LTIP will also be effective from 01 January 2023.

- v) Car Allowance: Rs. 612,000 per annum.
- vi) Perquisites & Allowances: Medical Reimbursement, Mediclaim Premium, Special Allowance, Leave Travel Allowance, Ex-gratia etc., as per the applicable policies or as may be agreed to between the Company and Mr. Jain.
- vii) Retirement benefits: Contribution to Provident Fund and Superannuation Fund as per the Company's policy. Gratuity to be paid in accordance with Payment of Gratuity Act, 1972 and encashment of leave at the end of tenure.

The annual increment is effective from 1st January every year as per the provisions of the Nomination and Remuneration Policy of the Company. The Board shall be entitled to add, alter or vary any of the foregoing terms of remuneration, benefits or perquisites of the Whole-time Director within the overall ceiling on managerial remuneration prescribed under the Companies Act, 2013, or any statutory modification or re-enactment thereof.

Minimum Remuneration: Where in any financial year during the term of the Whole-time Director, the Company has no profit or its profit is inadequate, the Company will pay remuneration specified herein above as minimum remuneration, subject to the requisite approvals, if any.

The statement as required under Section II, Part II of Schedule V of the Companies Act, 2013 with reference to aforesaid item is given below:

I. General Information:

- (1) Nature of industry. Manufacturing of Cement.
- (2) Date or expected date of commencement of commercial production. Not Applicable (The Company was incorporated on 13th May 1958 and commenced commercial production in 1962).
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. Not Applicable
- (4) Financial performance based on given indicators (Rs. in million)

Particulars	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Revenue from Operations	22,969.6	21,166.7	21,696.2
EBITDA (Earnings before interest, tax, depreciation and amortization)- Including other income	4,836.2	5,530.6	5,805.2
Profit before tax	3,351.3	3,912.2	3,980.6
Net Profit	2,522.6	3,149.5	2,680.6

- (5) Foreign investments or collaborations, if any The foreign holding in the share capital of the Company as on 31st March 2022 was as under:

Foreign holding	No. of shares	Percentage of holding
Promoter (Cementum I B.V.)	15,72,44,693	69.39%
Foreign Institutional Investors	1,23,52,215	5.45%
Non-Resident Indians and Foreign Nationals	13,81,637	0.61%

II. Information about the appointee:

- (1) Background details : Mr. Vimal Kumar Jain, aged 54 years, has done B.E.-Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU. In his career spanning over 30 years, consisting of 19 years abroad and 11 years in India, he has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning.
- (2) Past remuneration : Not Applicable
- (3) Recognition or awards : Not Applicable
- (4) Job profile and his suitability : As Whole-time Director, Mr. Jain performs such duties and exercises such powers as are entrusted to him from time to time by the Board of Directors and/or the Managing Director of the Company. In view of Mr. Jain's rich and vast experience of over 30 years in

the cement industry, the Board of Directors is of the opinion that he is competent to discharge the functions and tasks associated with the position of Whole-time Director of the Company. Mr. Jain plays a crucial role in overseeing the activities at the Plants and Mines of the Company.

- (5) Remuneration proposed : Details are given in the Statement pursuant to Section 102 of the Act.
- (6) Comparative remuneration : The remuneration payable to Mr. Jain has been benchmarked with remuneration being profile with respect to industry, drawn by similar positions in the cement industry and has been approved by the size of the company, profile of Nomination and Remuneration Committee at its meeting held on 20 May 2022. the position and person.
- (7) Pecuniary relationship directly : Apart from receiving his remuneration as stated in the statement pursuant to Section 102 or indirectly with the company, of the Act, Mr. Jain does not have any pecuniary relationship, directly or indirectly with the Company, its Directors, Key Managerial Personnel and/or their relatives. Mr. Jain or relationship with the the Company, its Directors, Key Managerial Personnel and/or their relatives. Mr. Jain managerial personnel, if any. does not hold any shares in the Company.

III. Other information:

- (1) Reasons of loss or inadequate profits : Not Applicable
- (2) Steps taken or proposed to be taken for improvement : Not Applicable
- (3) Expected increase in productivity and profits in measureable terms : Not Applicable

Although the Company has shown growth and profit from its operations over the past years and is expected to consistently earn profits in the coming years also, it is proposed to pass the resolution given at Item No. 6 of this Notice as a Special Resolution, in order to enable the Company to pay the remuneration detailed above as minimum remuneration to Mr. Jain in the eventuality of loss/inadequacy of profits during his term in accordance with the applicable provisions of Section II, Part II of Schedule V of the Companies Act, 2013.

IV. Disclosures:

The remuneration package of the managerial personnel has been described in the statement pursuant to section 102 of the Act and the same will also be annually provided in the Corporate Governance Reports of the subsequent years.

Mr. Vimal Kumar Jain is liable to retire by rotation at the ensuing AGM in terms of the provisions of Section 152 of the Companies Act, 2013.

The Board of Directors has accordingly recommended the resolutions set out at Item Nos. 5 and 6 of the Notice for approval of the members by way of an Ordinary Resolution and Special Resolution respectively at the ensuing AGM.

Except Mr. Jain, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the proposed resolutions. This explanatory statement may also be regarded as a disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The brief profile as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings is set out at Annexure to this notice.

Item No. 7

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. R.J. Goel & Co., Cost Accountants, for conducting the audit of cost records of the Company for the financial year 2022-23.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors during the financial year 2022-23 as set out in the Resolution for the aforesaid services to be rendered by them. The Board of Directors has recommended the resolution set out at Item No. 7 of the Notice for approval of the members at the ensuing AGM.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the aforesaid resolution.

By Order of the Board

Date: 20 May 2022

Place: Gurugram

Rajesh Relan

Legal Head & Company Secretary

Regd. Office: 2nd Floor, Plot No. 68,
Sector 44, Gurugram, Haryana -122002
CIN: L26942HR1958FLOC042301



ANNEXURE TO ITEM NOS. 3, 5 AND 6

Details of Directors seeking appointment at the ensuing Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name of Director	Mr. Kevin Gerard Gluskie	Mr. Vimal Kumar Jain
DIN	07413549	09561918
Brief Resume	<p>Mr. Kevin Gerard Gluskie, aged 55 years, completed his Bachelor of Engineering (Honours) with a major in Civil Engineering from the University of Tasmania in 1988 and an Executive Master of Business Administration from the Australian Graduate School of Management in 2001. He had also completed an Advanced Leadership Program in 2007 conducted by McGill University, the Indian Institute of Management, and Lancaster University.</p> <p>Mr. Gluskie joined Pioneer International (subsequently acquired by Hanson PLC) in 1990 and held a number of operational roles throughout Australia in the Ready-mix Concrete and Aggregates businesses. In 1999 he was appointed as Regional General Manager responsible for the Company's operations in the Victoria and Tasmania regions of Australia. In 2009, Mr. Gluskie was appointed as Chief Executive of Hanson Australia.</p> <p>Mr. Gluskie was appointed as a member of the Managing Board of HeidelbergCement AG, on 01 February, 2016 and from 01 April, 2016 he assumed responsibility for HeidelbergCement Group's operations in the Asia-Pacific Region.</p>	<p>Mr. Vimal Kumar Jain, aged 54 years, has done B.E.-Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU. In his career spanning over 30 years, consisting of 19 years abroad and 11 years in India, he has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning. He has a successful track record for developing strategic initiatives, organizational improvements, capacity expansions, de-bottlenecking, production and quality improvements, adoption of new technologies, overall cost reductions, waste processing, and working with diverse cultures & challenging environments.</p> <p>He is working with HeidelbergCement Group since 2007. He has worked as Project Manager with Heidelberg Technology Centre handling projects in Indonesia and Thailand. He joined HeidelbergCement India Limited on 03 January 2022 as Technical Director. Prior to joining HeidelbergCement Group, he has worked with RAK Cement of U.A.E., Prism Cements and Raymond Cement in various capacities in projects and technical functions.</p>
Date of Birth	19 June 1967	12 January 1968
Date of First Appointment on the Board	04 February 2016	10 June 2022
Expertise in specific functional area(s)	He has a rich experience of over 32 years in Management, Business Planning & Industry.	He has a rich experience of over 30 years in the Cement sector in Operations & Maintenance and Project Management.

Name of Director	Mr. Kevin Gerard Gluskie	Mr. Vimal Kumar Jain
Qualifications	Bachelor of Engineering (Honours) with a major in Civil Engineering from the University of Tasmania in 1988 and an Executive Master of Business Administration from the Australian Graduate School of Management in 2001. He had also completed an Advanced Leadership Program in 2007 conducted by McGill University, the Indian Institute of Management, and Lancaster University.	B.E.-Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU.
Shareholding in the Company (including shareholding as a beneficial owner)	Nil	Nil
Terms and Conditions of Appointment	Appointed as Non-Executive Director liable to retire by rotation	As per the resolutions at Item Nos. 5 and 6 of the Notice convening this Meeting read with explanatory statement thereto.
Managerial Remuneration last drawn	Not Applicable	Not Applicable
Remuneration proposed to be paid	Not Applicable	As per the resolution at Item No. 6 of the Notice convening this Meeting read with explanatory statement thereto.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company
No. of Board meetings attended during FY22	Attended all five meetings held during FY22	Not Applicable
Directorships held in other Indian public limited companies	Zuari Cement Limited and Gulbarga Cement Limited	Zuari Cement Limited
Listed Indian companies from which the person has resigned in the past three years	Nil	Nil
Position of Chairperson / Member in the Committees of Directors of other public limited companies in which he/she is a Director	Nil	Zuari Cement Limited <ul style="list-style-type: none"> Member of Corporate Social Responsibility Committee





REGISTERED OFFICE
HeidelbergCement India Limited
2ND FLOOR, PLOT NO. 68, SECTOR 44, GURUGRAM - 122002, HARYANA