

HeidelbergCement India Limited

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DLF Cyber City, Phase-III,

Gurugram, Haryana 122002, India

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Website: www.mycemco.com

HCIL: SECTL:SE:2024-25

03 September 2024

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400001
Scrip Code:500292

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

Dear Sir/Madam,

Sub: Submission of Annual Report for FY24

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of HeidelbergCement India Limited for FY24, *inter alia* containing the Notice of 65th Annual General Meeting to be held on 25 September 2024.

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.

Ravi Arora
Vice President- Corporate Affairs &
Company Secretary

Encl.: a.a.





**DRIVING
PERFORMANCE,
SUSTAINABLY**

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DRIVING PERFORMANCE, SUSTAINABLY

The Paris Agreement's overarching goal is to hold 'the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels.' To limit global warming to 1.5°C, greenhouse gas emissions must peak before 2025 at the latest and decline 43% by 2030.

Human-caused greenhouse gas (GHG) emissions drive climate change and about 60% of GHG emissions come from just 10 countries; of which India is one of them. The major contributor to GHG is CO₂, which is emitted by the use of fossil fuels; a necessary energy input in the cement industry. More so, several processes produce CO₂ emissions through chemical reactions that do not involve combustion in the production of cement. Cement industry is a leading contributor to CO₂ emissions per dollar of revenue. Thus it is imperative that every bag of cement and its aggregates produced in India must be produced sustainably; keeping the well-being of the environment in focus.

HeidelbergCement India Limited (HCIL) is at the forefront of driving top-line and bottom-line performances and increasing the shareholders' value through sustainable practices. HCIL is aware of its responsibility to reduce carbon emissions. HCIL is committed to further the objective of its Group, Heidelberg Materials, to ensure efficient, environmentally-friendly processes and develop innovative products and solutions.

HCIL has undertaken various initiatives to reduce the GHG emissions and thereby tackle climate change by reducing the carbon footprint. Few of the notable ones are transitioning to renewable energy, enhancing energy and resource efficiency and conservation, using recycled materials, embracing a circular economy, creating a positive water footprint, ensuring effective waste management, creating a green cover and conserving biodiversity.

It is our stated strategy to integrate sustainability into the value chain of our operations. During the year, we took significant strides in each of our sustainability focus areas. They include responsible mining, integrating sustainability across the processes, creating a sustainable supply chain, ensuring material efficiency, expanding green portfolio and building synergies of change.

HCIL believes that environmental, social, and governance (ESG) is shorthand for an investing principle that prioritizes environmental issues, social issues, and corporate governance. For HCIL though the term ESG is often used in the context of investing, stakeholders include not just the investment community but also customers, suppliers, and employees; all of whom are increasingly interested in how sustainable an organisation's operations are.

Driving performance, sustainably has been our paramount focus; which has paid rich dividends for the Company. In the financial year 2023-24, HCIL has recorded 9.4% increase in sales volume and almost 70% increase in PAT as compared to FY 2022-23.

Incorporating all the sustainable practices into the fold, HCIL has been able to deliver better financial performance and thereby, creating value addition for shareholders, people, community and planet.





HEIDELBERG MATERIALS

Founded in 1873 in the small German town of Heidelberg, Heidelberg Materials Group has steadily expanded its global presence. Every goal has been achieved with an unwavering commitment to values, driven by relentless research and innovation. Inclusive and sustainable growth have been the driving forces of our business model as we continue to strive and improve our products, services and business processes to attain the global standards of efficiency. As we continue our growth journey, our core strengths—high product standards, vast reserves of quality raw materials at strategic locations, strong customer relationships, and an uncompromising commitment to ecological sustainability—remain our foundation.

In this 150-year journey, a lot has changed in the world around us. However, our core values remain unmoved - Quality and Reliability - That is Heidelberg Materials





Heidelberg
Material



HEIDELBERG MATERIALS: A GLIMPSE

With a revenue of Euro 21.2 billion in 2023, Heidelberg Materials Group is among the world's largest building material companies. The Group's core activities include the production and distribution of cement and aggregates, the two essential raw materials for manufacturing concrete. The product range is substantially complemented by downstream ready-mixed concrete and asphalt. Furthermore, the Group offers services such as worldwide trading in cement, coal etc.



50+
Countries



51,000+
Group Employees



3,000+
Locations

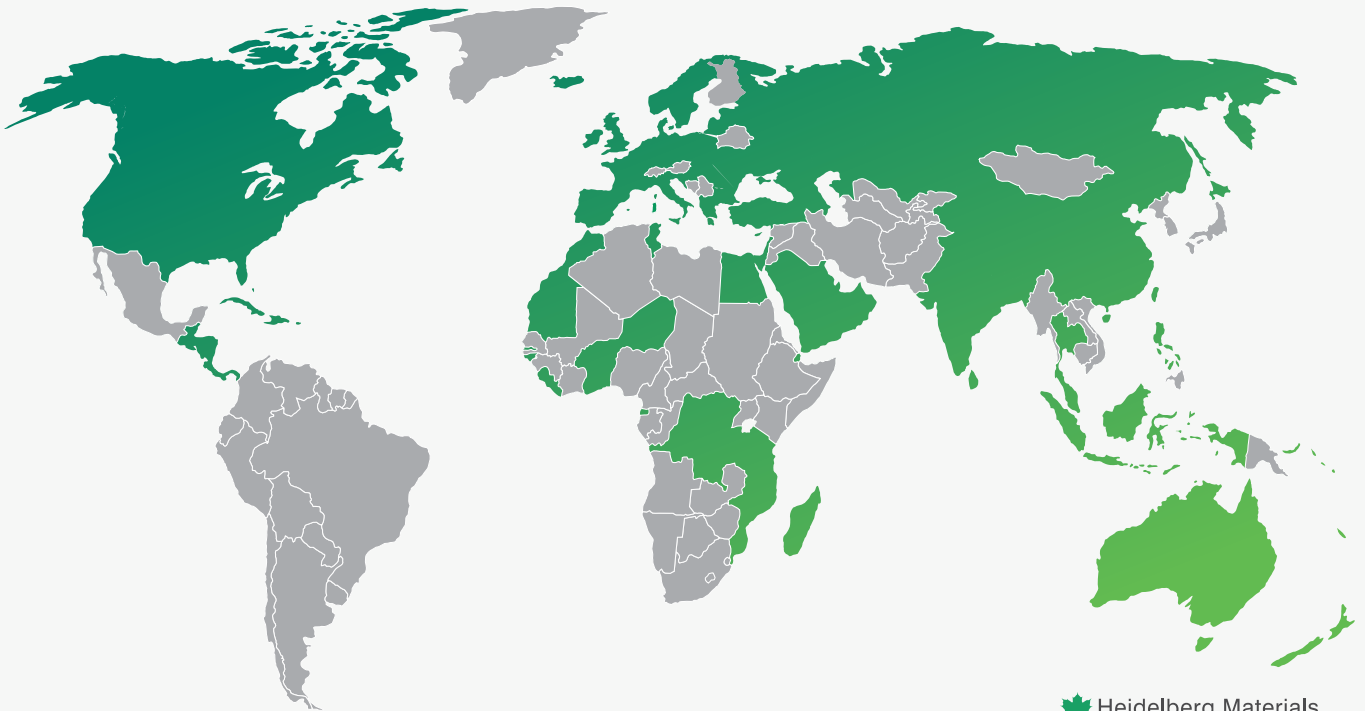


184+
Mn Tonnes of Cement
Production Annually

**MARKET
POSITION**

NO.2

**AGGREGATES
CEMENT
READY-MIXED CONCRETE**



 Heidelberg Materials



CARBON CAPTURE AND STORAGE (CCS)

Heidelberg Materials and Linde have established a joint venture under the name Capture-to-Use (CAP2U) to build and operate a state-of-the-art carbon dioxide capture and liquefaction plant. The world's first industrial-scale carbon capture and utilisation (CCU) facility in the cement industry is scheduled to start operations in 2025 at Heidelberg Materials' Lengfurt plant in Germany. The facility will enable the captured CO₂ from cement production to be reused as a valuable raw material in manufacturing applications. The planned volume of purified and liquefied CO₂ is around 70,000 tonnes per year.

The majority of the CO₂ generated will be marketed by Linde as part of the joint venture. Thanks to its purity, the processed gas can be used in both the food and chemical industries, for example in carbonated mineral water. A smaller proportion will be used by Heidelberg Materials to drive forward new CO₂ recycling and recarbonation technologies.

For the implementation of this project, the substantial contributions of both partners will be supplemented by funding of around €15 million from the Decarbonisation of Industry funding programme on behalf of the German Federal Ministry for Economic Affairs and Climate Action (BMWK).

The plant is being designed and built by Linde Engineering – one of the leading companies for CO₂ facilities. Based on an amine scrubbing system specially developed for flue gases, the carbon dioxide will be separated directly from part of the exhaust gas stream from the cement clinker kiln. Equipment for purification and liquefaction, tanks for intermediate storage of the product, and loading facilities are also part of the project scope.

Heidelberg Materials, the pioneer on the path to carbon neutrality in its industry, has already successfully tested CO₂ capture based on amine scrubbing technology on an extended laboratory scale at its Norwegian cement plant in Brevik between 2012 and 2016.

Linde brings to the joint venture its expertise in forward-looking, gas-based environmental technologies that allow customers around the world to increase their productivity while reducing their environmental footprint.



HEIDELBERGCEMENT INDIA LIMITED (HCIL)

Heidelberg Materials Group entered the Indian market in early 2006, driven by a desire for growth and the opportunities presented by the rapidly developing economies. The Group acquired a controlling stake in Mysore Cements Limited and initially formed a joint venture with Indorama Cement Limited, which evolved into a full acquisition by 2008.

Following the merger of Indorama Cement with Mysore Cements in 2009, the Company was rebranded as HeidelbergCement India Ltd. This marked the beginning of a strong growth trajectory. In the same year, the Company embarked on a Brownfield capacity expansion in Central India, boosting its cement manufacturing capacity from 2.1 million tonnes per annum (MTPA) to 5.4 MTPA. Further debottlenecking in the last quarter of FY20 increased grinding capacity at the Imlai and Jhansi plants by 0.5 MTPA and 0.55 MTPA, respectively. Today, HCIL's total cement grinding capacity stands at 6.26 MTPA.

HCIL leverages innovative procurement strategies, process digitalisation, and the Group's global sourcing expertise to secure cost-effective, high-quality products. By aligning with Group initiatives and integrating local expertise, HCIL consistently exceeds expectations. Additionally, India serves as a part of procurement hub for equipment, spares, and consumables requirements of the Group. With abundant resources and competitive manufacturing capabilities, HCIL actively supports the Make in India initiative, driving both cost and quality efficiency.



BOARD OF DIRECTORS:

Ms. Jyoti Narang
Chairperson &
Independent Director

Mr. Roberto Callieri
Non-Executive Director

Mr. Joydeep Mukherjee
Managing Director

Mr. Atul Khosla
Independent Director

Ms. Soek Peng Sim
Non-Executive Director

Mr. Vimal Kumar Jain
Whole-time Director





Mr. Anil Kumar Sharma
Chief Financial Officer

Mr. Ravi Arora
Vice President
Corporate Affairs & Company
Secretary

REGISTRARS & TRANSFER AGENTS:
Integrated Registry Management Services
Pvt. Ltd., 30, Ramana Residency, 4th
Cross, Sampige Road Malleswaram,
Bengaluru - 560003

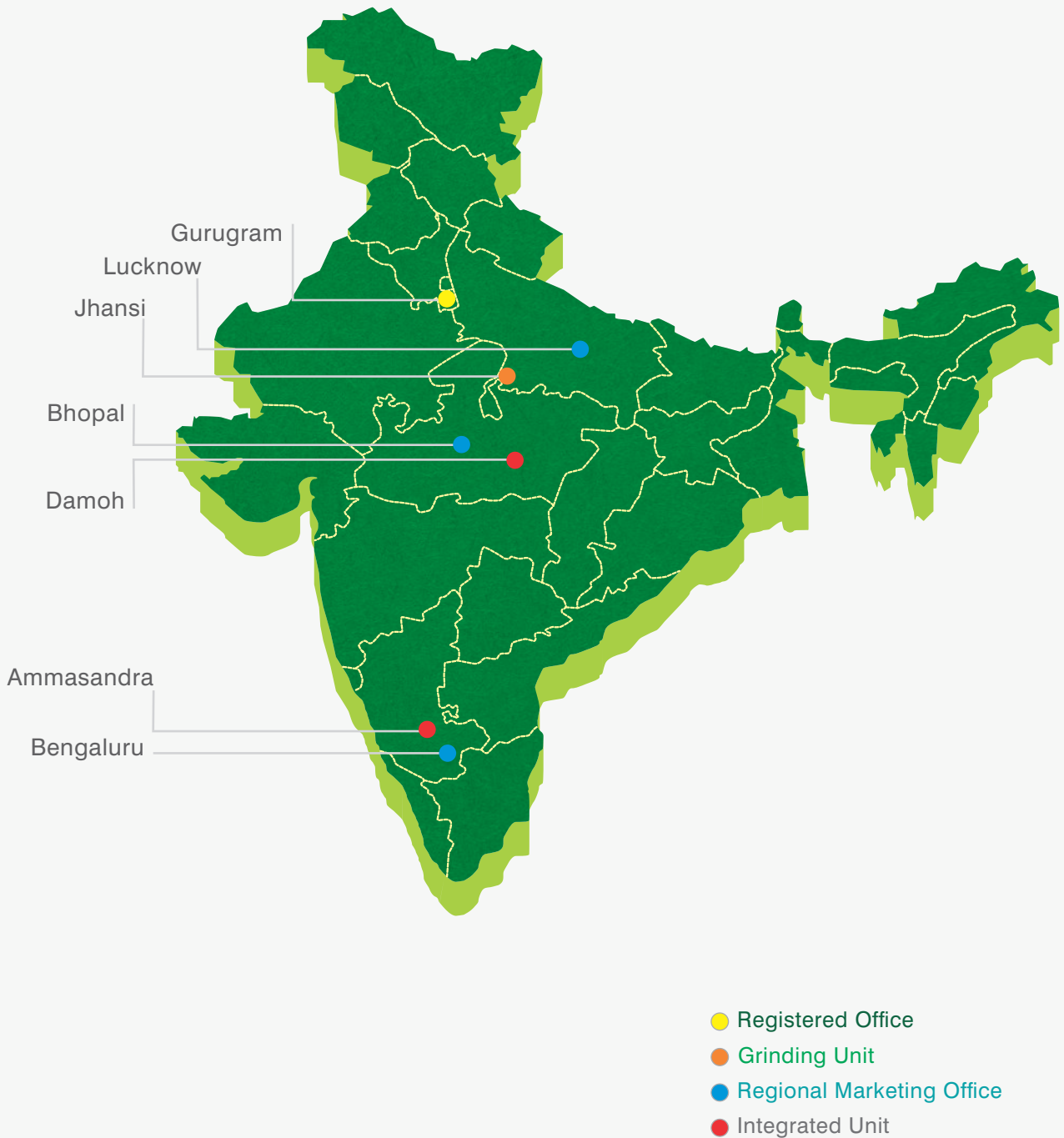
STATUTORY AUDITORS:
S.N. Dhawan & CO. LLP. - Chartered Accountants

REGISTERED OFFICE:
2nd Floor, Block - B, DLF Cyber
Greens, DLF Cyber City, Phase - III,
Gurugram - 122002,
Haryana



LOCATION OF PLANTS AND MAIN OFFICES

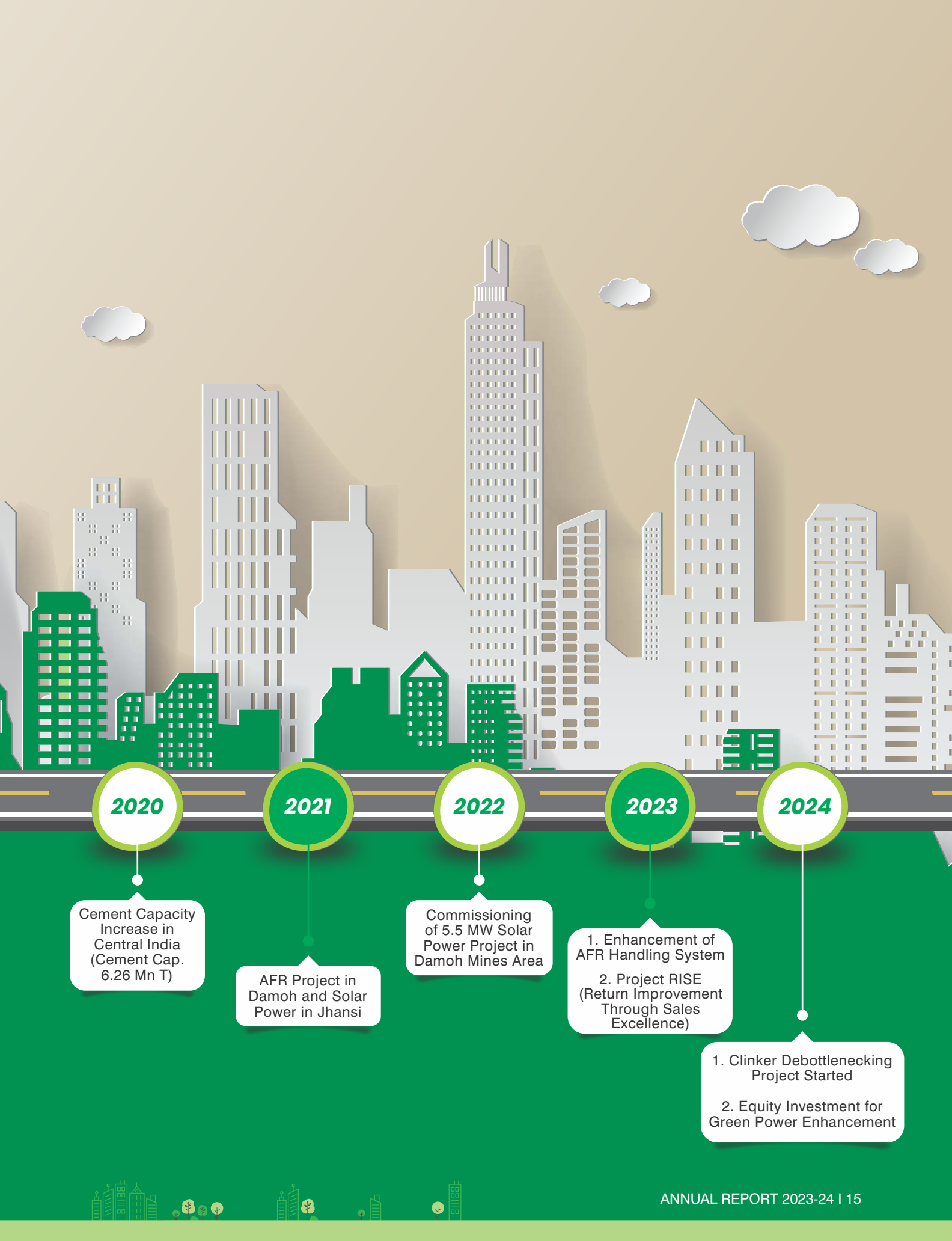
**HeidelbergCement India's
Cement Capacity**
6.26 Mn Tonnes per Annum





HEIDELBERGCEMENT INDIA LTD. JOURNEY





2020

Cement Capacity Increase in Central India (Cement Cap. 6.26 Mn T)

2021

AFR Project in Damoh and Solar Power in Jhansi

2022

Commissioning of 5.5 MW Solar Power Project in Damoh Mines Area

2023

1. Enhancement of AFR Handling System
2. Project RISE (Return Improvement Through Sales Excellence)

2024

1. Clinker Debottlenecking Project Started
2. Equity Investment for Green Power Enhancement

PRODUCTS

Our products are designed to enhance construction quality and sustainability.



Mycem Portland Pozzolana Cement:

A blended cement made by grinding Portland clinker with gypsum and highly reactive pozzolanic materials in precise proportions.

Mycem Primo:

A blended cement with tamper-proof packaging that safeguards against hydration from ambient moisture, maintaining quality until the BIS-specified time frame. Its broader particle size distribution, with most particles between 3 to 30 microns, ensures a cohesive mix and a durable, crack-free structure.

SERVICES

At HCIL, we drive performance sustainably by prioritising customer satisfaction through a dedicated Customer Service Department and targeted training for our personnel.

Our sales team equips channel partners to consistently exceed client expectations, while our mobile technical labs showcase best construction practices.

Skilled Civil Engineers visit sites of Independent Home Builders (IHBs) to assist customers in building durable homes, advising on high-quality material selection and guiding masons and contractors on optimal construction techniques.





Mycem Power:

A high-quality blended cement with laminated packaging that protects against hydration from ambient moisture, preserving quality until the BIS-specified time frame. Its broader particle size distribution, with most particles between 3 to 30 microns, ensures a cohesive mix and a durable, crack-free structure.

Mycem Power Shield:

A specially formulated cement with advanced water-repellent properties. Engineered with the latest technology, mycem Power Shield provides high early and long-term strength while acting as a barrier against seepage and dampness. This ensures durable, maintenance-free construction, resistant to efflorescence and corrosion, making it an ideal choice for lasting, resilient structures.

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.



AWARDS AND RECOGNITION

Damoh Unit received the prestigious Golden Peacock Occupational Health & Safety Award during the Institute of Directors' 25th International Conference on Environment Management and Climate Change.



Ammasandra Unit received an award from the Bureau of Indian Standards for recording 'Zero non-conformities in the last 3 years.'



Jhansi Unit won the CII's National Award for Excellence in Energy Management for 2023. The Unit won this award for the 8th consecutive time, thereby further cementing its leadership in energy management.



Jhansi Unit received the Bhamashah Award from the State Tax Department & Cultural Department of Uttar Pradesh for being the highest tax-paying industry in the Jhansi division.



Patharia (Damoh) Mines have been honored with a 5-Star Rating by the Indian Bureau of Mines, Ministry of Mines, for eight consecutive years since the award's inception in 2015-2016. The prestigious award was presented by Shri G. Kishan Reddy, Hon'ble Union Minister for Coal and Mines, GOI and Shri Satish Chandra Dubey, Hon'ble Minister of State for Coal and Mines, GOI.



Imlai Unit received an award at the 13th Annual International Residential Conference, organised by the Mission Energy Foundation, for achieving 100% utilisation of flyash.

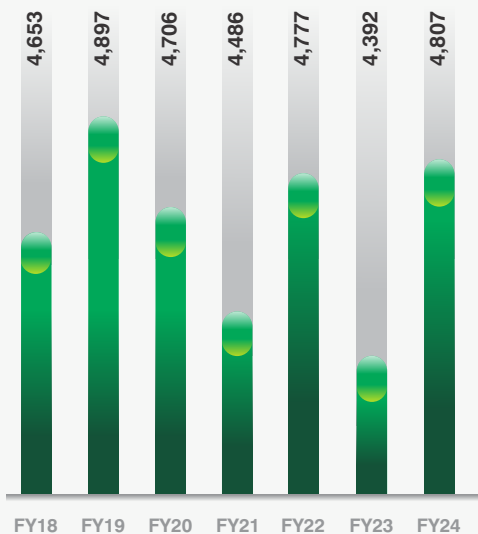


FINANCIAL HIGHLIGHTS

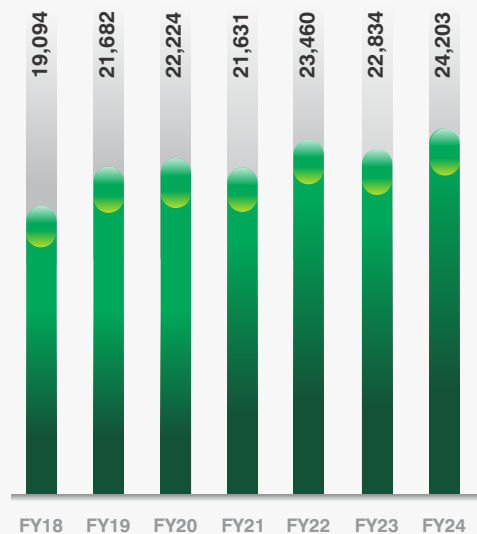
Particulars	UoM	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Sales Volumes	KT	4,653	4,897	4,706	4,486	4,777	4,392	4,807
Total Revenue (including other income)	MINR	19,094	21,682	22,224	21,631	23,460	22,834	24,203
EBITDA (including other income)	MINR	3,833	5,182	5,805	5,531	4,836	2,941	3,712
EBITDA Margin	%	20.1%	23.9%	26.1%	25.6%	20.6%	12.9%	15.3%
EBT	MINR	2,077	3,416	3,981	3,912	3,351	1,358	2,268
EBT Margin	%	10.9%	15.8%	17.9%	18.1%	14.3%	5.9%	9.4%
PAT	MINR	1,331.8	2,206.6	2,680.6	3,149.5	2,522.6	991.7	1,677.5
PAT Margin	%	7.0%	10.2%	12.1%	14.6%	10.8%	4.3%	6.9%
EPS	INR	5.9	9.7	11.8	13.9	11.1	4.4	7.4
Shareholders Fund	MINR	10,464	11,712	13,146	14,939	15,652	14,614	14,698
Long Term Borrowings	MINR	6,192	5,168	4,051	1,745	1,566	1,108	557
Short Term Borrowings	MINR	-	-	-	1,200	336	630	694
Debt Equity Ratio	In times	0.59:1	0.44:1	0.31:1	0.20:1	0.12:1	0.12:1	0.09:1
Cash and Cash Equivalents	MINR	2,122	3,371	4,697	4,303	3,690	4,729	5,328



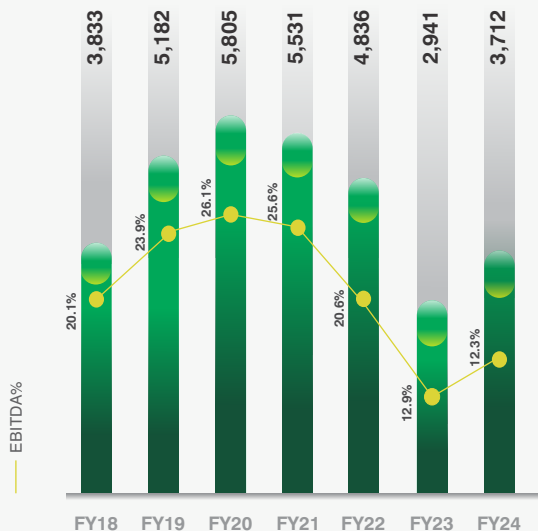
SALES VOLUME ('000 TONNES)



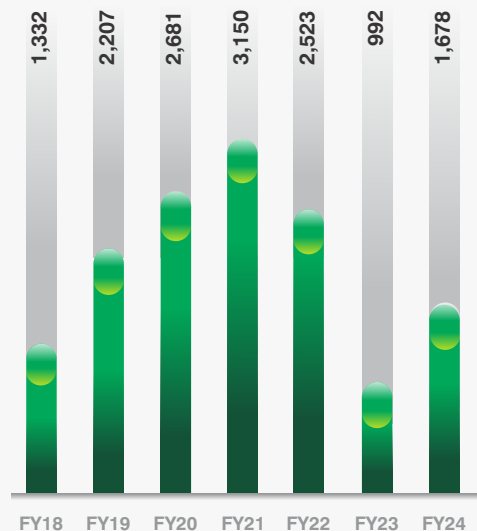
TOTAL REVENUE (RS. IN MILLION)



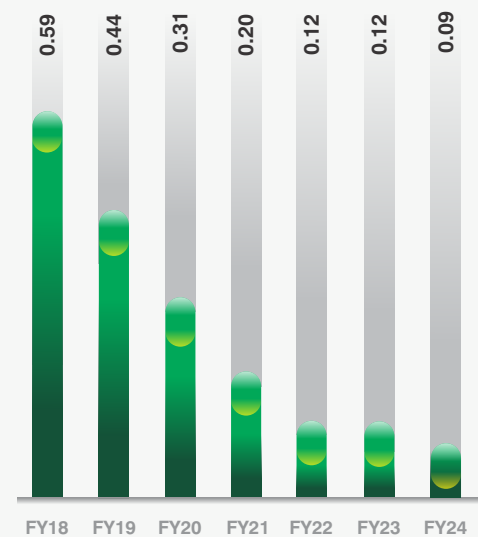
EBITDA (RS. IN MILLION & % OF TOTAL REVENUE)



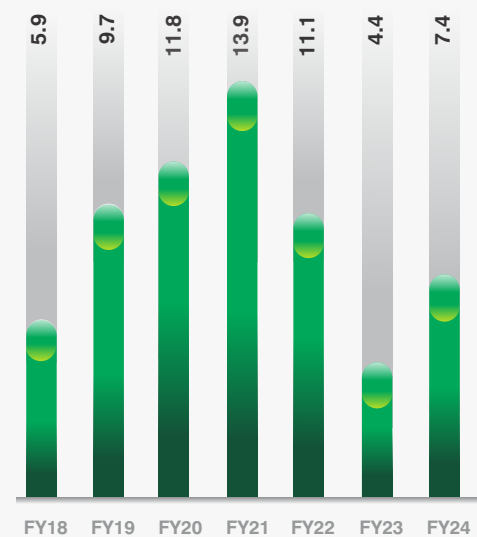
PAT (RS. IN MILLION)



DEBT EQUITY RATIO (IN TIMES)



EPS (RS. PER SHARE)



DRIVING PERFORMANCE, SUSTAINABLY

MAKING BUILDING MATERIAL PART OF THE CLIMATE CHANGE SOLUTION

Cement is the backbone of our infrastructure, shaping homes and cities alike. Yet, it also presents a significant climate challenge, with the cement industry leading in CO₂ emissions per dollar of revenue. Around 66% of these emissions arise from calcination of Limestone mix in pyro process for clinker/cement production.

As we focus on 'Driving Performance, Sustainably' we have initiated action and set our goals of reducing carbon emissions. Stricter GHG (Greenhouse Gases) targets are essential to align our industry with a sustainable future.

SUSTAINABILITY AT HEIDELBERG MATERIALS GROUP

LEADING BY GREEN ACTIONS

As a leading producer of building materials, Heidelberg Materials is aware of its responsibility to ensure natural resources are used sustainably. It is committed to efficient, environmentally-friendly processes and develops innovative products and solutions.

THE GROUP'S PRIMARY ENVIRONMENTAL PROTECTION OBJECTIVES ARE TO:



Protect the climate



Preserve resources



Reduce emissions



Have the lowest possible impact on the environment at quarry and production facilities

“With our sustainability strategy, we have the entire range of ESG issues in focus – with respect to our supply chain as well as our own business activities.”

- Dr. Nicola Kimm, Chief Sustainability Officer
And Member of the Managing Board, Heidelberg Materials

OUR SUSTAINABILITY COMPASS & ROADMAP



Net Zero

Safe & Inclusive



Circular & Resilient

Nature Positive



BUILDING A MORE SUSTAINABLE FUTURE

Heidelberg Materials is contributing in overcoming global challenges of climate change, demographic change, limited resources, and biodiversity loss. Alongside environmental sustainability issues, its strategy also includes occupational health and safety, diversity and inclusion, and local responsibility in the areas surrounding our plants involving not only our own business activities but also the entire supply chain.

OUR SUSTAINABILITY COMMITMENTS 2030

The world needs smart, sustainable, and resilient infrastructure, buildings, and public spaces. Challenges like climate change and resource limitations mean that the production and use of heavy building materials must evolve. Heidelberg Materials is transforming its business to address these challenges.

Through its Sustainability Commitments 2030, Heidelberg Materials is supporting the UN Sustainable Development Goals (SDGs) at a global level. Its efforts are concentrated on those issues to which it can make a significant contribution as a Group. Given its business model, Heidelberg Materials focuses particularly on **SDGs 5, 8, 9, 12, 13, and 15**.

The Sustainability Commitments 2030 serve as guiding principles for the Heidelberg Materials sustainability strategy. They cover topics under four areas: **Net Zero, Safe & Inclusive, Circular & Resilient, and Nature Positive**.

At the beginning of 2023, the Science Based Targets initiative (SBTi) validated Heidelberg Materials' 2030 CO₂ reduction targets in accordance with its 1.5 °C roadmap for the cement industry.

evoZero® : THE FUTURE OF CONSTRUCTION

Carbon capture and storage (CCS) has the potential to fundamentally change cement production and will set entirely new standards when it comes to reducing CO₂. Heidelberg Materials laid the foundations at an early stage with our pioneering Brevik CCS project - world's first industrial-scale carbon capture facility at a cement plant in Brevik, Norway. Through this facility, Heidelberg Materials offers its customers in Europe the world's first carbon captured net-zero cement, launched under the new evoZero® brand at the end of 2023.

evoZero® will be available in two versions. evoZero® Carbon Captured Brevik will be delivered directly from Brevik, achieving its net-zero carbon footprints over its entire life cycle. Customers from other European countries can opt for evoZero® Carbon Captured, which will be delivered from nearby plants, with the CO₂ savings realised in Brevik being taken into account. evoZero® Carbon Captured features a net-zero carbon footprint upon delivery.

“The launch of our unique evoZero® products is a paradigm shift in the decarbonisation of our sector.”

*- Dr Dominik von Achten,
Chairman of the Managing Board of
Heidelberg Materials.*

Since CCS technology does not change the chemical composition and performance of the cement, evoZero® is suitable for all kinds of applications.

Through its CCS projects, Heidelberg Materials aims to reduce its CO₂ emissions by 10 million tonnes cumulatively by 2030.

For more information about evoZero®, please see www.evozero.com



TRANSITIONING GREY TO GREEN

Transitioning grey to green marks a significant step towards sustainability in building materials. By focusing on reducing its carbon footprint, the Company aims to transform its traditional grey cement production into greener, more eco-friendly processes. This initiative includes investing in alternative materials, enhancing energy efficiency and adopting innovative technologies to lower emissions.

HeidelbergCement India Limited (HCIL) is redefining cement as the cornerstone of a sustainable future, shifting from grey to green. Aligned with Heidelberg Materials, our strategy focuses on reducing climate impact while paving the way for carbon neutrality. By innovating in energy use, raw materials, and waste management, we're not just mitigating risks but seizing opportunities for long-term sustainability.

Our commitment to greener operations ensures lasting environmental, social, and economic value, securing resources for future generations while delivering on our promise to stakeholders.

OUR FOCUS AREAS

- ◆ Transitioning to renewable energy
- ◆ Conserving biodiversity
- ◆ Using recycled materials
- ◆ Reducing GHG emissions
- ◆ Tackling climate change by reducing carbon footprint
- ◆ Enhancing energy and resource efficiency
- ◆ Embracing a circular economy
- ◆ Creating a positive water footprint



Acknowledging the environmental impact of manufacturing, we adopt a comprehensive strategy of: **Prevention | Mitigation | Compensation**

KEY ENVIRONMENT PERFORMANCE INDICATORS – FY24:



3.53 times
water positive



31%
of total energy requirement
met by green energy



3.63 times
plastic
negative



71,585 MW
gross power generated from Narsingarh
Waste Heat Recovery Power Plant



SUSTAINABLE GROWTH STRATEGY

Nature measurement at HCIL empowers informed decisions, ensures accountability, and guides our actions with precision. This systematic approach aligns our business with a clear direction, embedding sustainability across the entire cement manufacturing process.

To accelerate our environmental stewardship, we have set ambitious 2030 targets:

EMISSION REDUCTION

CARBON FOOTPRINT

Reduce by 12.5% from 2019 levels. Status FY24: Achieved a 2% reduction, with ongoing initiatives to reach the target.

AIR EMISSIONS

Compliance to the CPCB standards for fugitive, SO_x and NO_x emissions by adopting necessary technology and expertise. An advanced filtration system is being implemented at Damoh.

CIRCULAR ECONOMY

RAW MATERIAL AND BLENDING MATERIAL SUBSTITUTION

Increase the use of by-products and recycled materials to replace natural raw materials. Status FY24: Substitution rate in cement has reached 35.21%, with further plans for expansion.

The aforementioned targets reflect our unwavering commitment to sustainable cement production, driven by cutting-edge technology, innovative production methods, resource optimisation, and responsible mining practices.



SEEDING ACCOUNTABILITY ACROSS THE VALUE CHAIN

It is our stated strategy to integrate sustainability into the value chain of our operations. During the year, we took significant strides in each of our sustainability focus areas of decarbonisation, energy transition, circular economy, water, and biodiversity management.

OUR VALUE CHAIN

RESPONSIBLE MINING:

We extract limestone from our own mines using environmentally-friendly techniques. Post-mining, we rejuvenate the land through recultivation and transform empty pits into rainwater harvesting ponds, helping to recharge the groundwater table.

SUSTAINABLE SUPPLY CHAIN:

We prioritise responsible procurement, building a transparent, sustainable, and future-focused supply chain in close collaboration with our qualified suppliers.

INTEGRATING SUSTAINABILITY:

Sustainability is embedded across our value chain. We expand our eco-friendly product range, develop digital solutions, and provide customer-centric offerings that enhance both environmental and business outcomes.

MATERIAL EFFICIENCY:

Innovation drives our efforts to reduce energy consumption and CO₂ emissions. We enhance material efficiency by substituting traditional fossil fuels with alternative options and maximising production of blended cement against OPC, significantly reducing our carbon footprint.

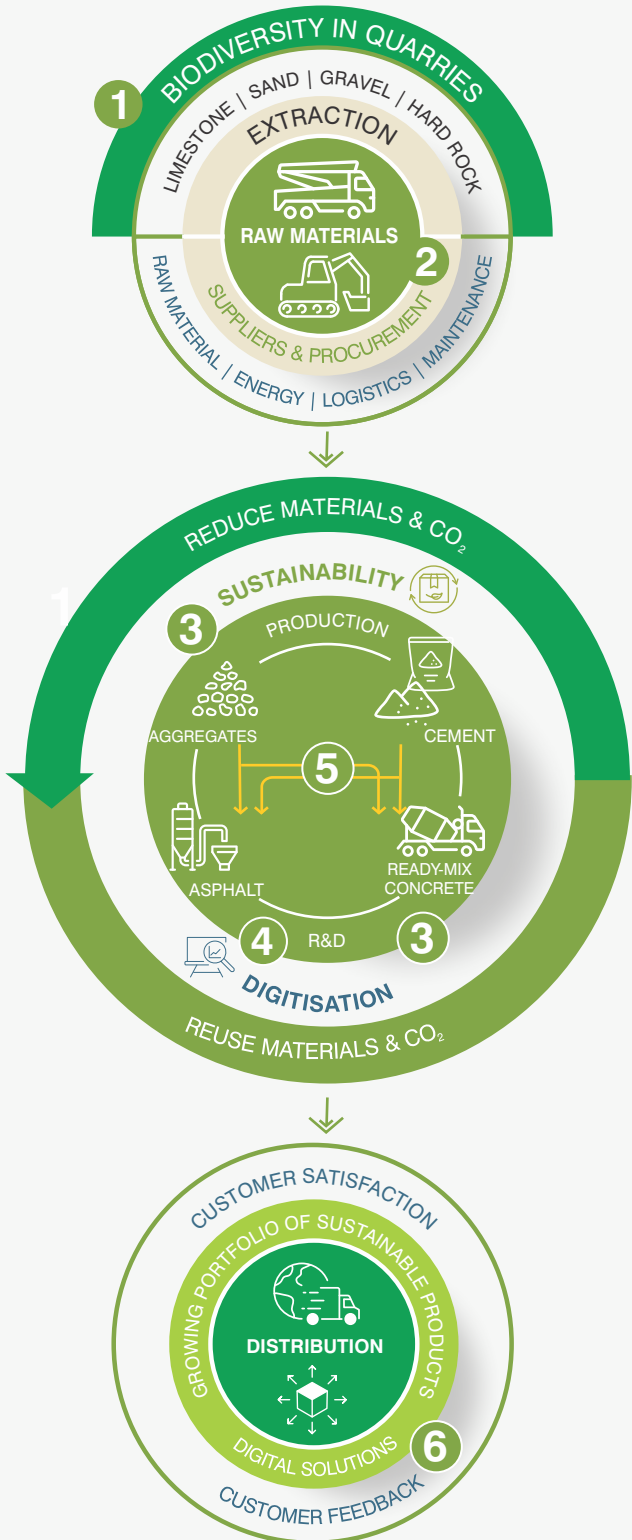
EXPANDING THE GREEN PORTFOLIO:

We produce 100% blended cement, including Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC), which incorporate fly ash and slag—industrial waste materials harmful to the environment. By recycling these materials into our products, we contribute to environmental preservation.

CREATING SYNERGIES OF CHANGE:

Our commitment extends beyond production. We collaborate closely with customers, offering expert advice on product usage to ensure lasting positive impacts, further cementing our role as the driver of sustainable change.

Through these initiatives, we not only secure our business's future but also contribute to a healthier planet, embodying our commitment to sustainable growth.



ACCELERATING THE USE OF ALTERNATIVES

In view of aligning with the Group's goal of becoming a Net Zero Carbon Company by 2050, at HCIL, we are geared up to reduce dependency on conventional fossil fuel-based energy by increasing the share of Alternative Fuels. With continuous investment in technology and modifications, **we could achieve a TSR (Thermal Substitution Rate) of 8% from 6% in FY23 with an ambitious target of reaching 45% by 2030**. In FY24, 31% of our total energy requirement was met by green energy.

Additionally, we continue to choose eco-friendly sources to conserve finite resources, reduce waste, and achieve reduction in both the clinker factor and CO₂ emissions.

ALTERNATIVE RAW MATERIALS

We prioritise sustainability by using alternative resources like low-grade limestone, quarry rejects, and chemical gypsum without compromising cement quality. In FY24, approximately 35% of flyash was used in PPC cement, significantly reducing clinker use. Additionally, we incorporated around 53% slag in PSC cement production and used 5.52% Red Mud, an industrial by-product, to substitute natural raw materials. These efforts not only reduce limestone consumption but also help preserve limestone reserves for future generations. By leveraging these sustainable practices, we ensure a consistent supply of high-quality cement while minimising environmental impact.

ALTERNATE FUEL

Cement manufacturing is inherently energy intensive, requiring temperatures above 1000°C for limestone calcination. This process, coupled with fossil fuel combustion, presents significant emission challenges. Our unwavering commitment to sustainability is reflected in how we manage energy consumption and mitigate emissions. By adopting alternative fuels, such as refuse-derived waste, municipal waste, rice husks, pharmaceutical waste, and discarded carbon black, we conserve coal and minimise reliance on this depleting resource.

At our Narsingarh and Imlai Plants in Damoh, 100% of additives used come from aluminium industry waste, eliminating the need for natural minerals like bauxite and significantly reducing iron ore usage. They are also transitioning from imported gypsum to chemical or synthetic gypsum, further advancing the sustainability efforts while maintaining high-quality cement production.

RELYING ON RENEWABLES

To reduce climate impact, HCIL has embraced renewable energy sources like solar power and biomass-based fuels. Our Narsingarh plant features a waste heat recovery system that generates electricity for internal use. In FY24, this system produced 71,585 MW of gross power, while our solar plant generated 9,007 MW.

Additionally, 58.5% of the gross power at our Jhansi Plant came from renewable sources in FY24, up from 52.8% in FY23, thanks to a Long-Term Open Access Power Purchase Agreement for 15 MW DC (10.6 MW AC) of solar power and 0.6 MW of hydro power.



GREENHOUSE GAS (GHG) EMISSIONS AND CARBON FOOTPRINT

Our commitment to environmentally responsible practices continues to drive us toward reducing air pollutants beyond the cement industry average, marking a significant shift toward ecologically conscious operations.

AIR EMISSIONS

In FY24, we reinforced our efforts to lower SO_x, NO_x, and fugitive dust emissions related to cement production. Selective Non-Catalytic Reduction (SNCR) systems, installed in the kilns at our Narsingarh plant, have proven effective in reducing NO_x emissions, aligning with our targets for cleaner air.

AMBIENT TEMPERATURE REDUCTION

Our initiative to reduce ambient temperatures by 2 degrees across all production sites is making progress. To date, we have achieved a 1.8-degree reduction at the Narsingarh plant. Tree planting efforts, set to accelerate over the next six years, will further support this goal. At our Jhansi plant, dedicated greening initiatives and temperature monitoring have already achieved a 2-degree drop, demonstrating our commitment to enhancing local environments around our facilities.

BEING WATER WISE

WATER MANAGEMENT

Water is essential to the smooth operation of our plants, offices, and surrounding communities. Although our manufacturing process consumes minimal water, our sustainability strategy places a strong emphasis on water conservation.

Our operations do not significantly impact water sources or protected areas. We strictly adhere to regulations to ensure that our quarrying activities do not affect local water bodies or the groundwater table.

Our water management cell oversees real-time data tracking through installed meters. Key interventions include the installation of air-cooled condensers and sewage treatment plants. Committed to minimising impact, we practice zero-liquid discharge and use recycled water for landscaping. On-site rainwater harvesting systems further contribute to aquifer recharge.

Our goal is to reduce our water footprint, supporting eco-friendly cement production. In FY24, the total volume of water harvested at various locations of the Company was 4.78 Mm³ against which the total consumption of water was 1.35 Mm³ and consequently the company is water positive by 3.53 times.

None of our plants discharge water into natural reservoirs, ensuring no water bodies or related habitats were affected by our manufacturing activities.

REINFORCING REJUVENATION

BIODIVERSITY

Biodiversity, the vast array of life forms on Earth, is vital for maintaining our planet's health. As we drive performance sustainably, safeguarding biodiversity is both an ethical obligation and a strategic imperative.

At HCIL, we have long been committed to conserving biodiversity, particularly in mitigating the potential adverse effects of mining. Mined-out areas are promptly backfilled using topsoil from new mining pits, and our afforestation efforts on reclaimed land have significantly increased green cover—38% of the factory area at Damoh is now green. We have also developed water bodies that support diverse flora and fauna, further enriching the local ecosystem.

Recognising the vulnerability of biodiversity in and around mining areas, we have proactively expanded natural habitats through reclamation and plantations. Using the Miyawaki technique, we've created self-sustaining plantations with native species like Neem, Jamun, Karanj, Sheesham, Mango, and Teak.

Our 'Friends of Earth' initiative extends biodiversity preservation beyond the mines, promoting a greener planet by planting Neem trees. We encourage employees and associates to mark special occasions by planting trees, and our business partners have also joined this green effort.

Aligning with India's Mission LiFE, launched under Azaadi ka Amrit Mahotsav, we organised awareness programmes at Narsingarh plant in May and June 2023, fostering an environmentally conscious lifestyle.



SMART ACTIONS. SUSTAINABLE TRANSFORMATIONS SPOKES OF CORE

In an era characterised by rapid evolution and global challenges, we are steadfastly dedicated to sustainable operations, automation, digitalisation, employee welfare, and community engagement, serving as catalysts for driving transformations for a more progressive, inclusive, and sustainable future.

OPERATIONAL EXCELLENCE

In FY24, we continued to strengthen our people-centric culture, deepening our commitment to well-being, diversity, and transparency. Our ethos remains rooted in operational excellence, driven by our people, processes, and performance. With the theme 'Driving Performance, Sustainably,' we have ensured that every initiative reflects our dedication to long-term growth and responsible practices.

Our belief that 'excellence is a journey, not a destination' has been further reinforced through our Continuous Improvement Programme (CIP). This year, we expanded focused training across all levels, empowering employees to innovate, challenge norms, and drive impactful transformations. The popularity of the Star Employee Award grew, highlighting exceptional contributions to CIP and underscoring our commitment to recognising and rewarding talent.

The tangible outcomes of our efforts are visible in enhanced production efficiency, energy conservation, and digitisation. Our sustainable growth path is evident from boardroom decisions to ground-level operations, aligning with global benchmarks. HeidelbergCement India's approach to business excellence is holistic, ensuring that every step we take not only drives performance but also secures a sustainable future.



DRIVING POWER COST EFFICIENCY

Power costs significantly impact cement operations. It is, therefore, the responsibility of management to reduce them at every level of consumption. Our Waste Heat Recovery (WHR) plant at Narsingarh now meets nearly 40% of the plant's power needs, lowering costs and supporting our sustainability goals. Additionally, we've optimised contract demand from state electricity suppliers across all plants and secured cost-effective power through open access.

By integrating more economical green power from solar and renewable sources, we've further reduced expenses while enhancing our commitment to a greener footprint. These initiatives underscore our focus on operational efficiency and sustainable growth.



ENSURING FUEL COST EFFICIENCY

Fuel efficiency is crucial to driving performance sustainably. We've reduced fuel consumption and optimised our fuel mix in response to volatile pet coke and coal prices. By closely monitoring freight rates, we've adjusted our Rail and Road mix, further cutting costs and reinforcing our commitment to sustainable, efficient operations. Our 22 kms. Over Land Belt Conveyor (OLBC) between mines and clinker plant reduces fossil fuel consumption.



SALES & MARKETING

Our approach to marketing and branding is not just about selling cement, it is about building trust and fostering long-term relationships. Our commitment extends beyond timely deliveries to include on-site services and customer care, upholding our legacy of excellence while contributing to a sustainable future for the nation.

CUSTOMER SATISFACTION:

At HeidelbergCement India, customer satisfaction is central to our strategy. We build strong relationships with channel partners and customers through top-quality products, innovation, and exceptional support. Our commitment to a customer-centric approach is evident in our dedicated support services division and a culture that prioritises understanding and meeting customer needs.

ENGAGING WITH CUSTOMERS

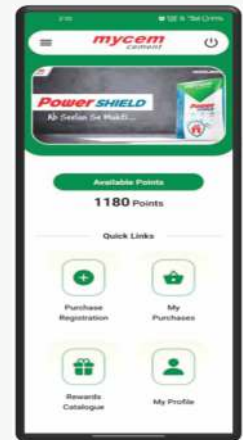
We actively engage customers through initiatives such as customer meets, where we share best practices and address specific needs. By placing our customers at the centre of our operations, we aim to enhance every interaction, contributing to our sustainable performance goals.

EMPOWERING THE CONTRACTORS

In March 2024, we launched a new Contractor Loyalty Program featuring a user-friendly app. This platform allows contractors to self-register purchases, track them in real-time, receive instant promotion updates, and redeem rewards easily. The app also delivers educational content to boost engagement. So far, we onboarded over 30,000 contractors, with 20,000 active users, and achieved a 25% increase in tertiary sales through the program.

INVESTING IN SERVICE EXCELLENCE

Recognising that our success is tied to our customers' success, we invest heavily in our customer service infrastructure. This includes seamless communication channels, timely query resolution, and personalised assistance. Through proactive engagement and attentive listening, we strive to exceed customer expectations, fostering long-term relationships based on trust and reliability.



THE MYCEM BRAND TRANSFORMATION – FROM LEGACY TO LEADING-EDGE

In the highly competitive cement industry, distinguishing our products and capturing customer attention is crucial. With the strong reputation of our 'mycem' brand, we recognised the need to enhance its unique selling points to better communicate our values and strengths.

We initiated a brand refresh programme, supported by thorough market research and expert insights. The programme is aimed to sharpen our brand identity by emphasising the perceived German quality and the rich 150-year legacy of the Heidelberg Materials Group.

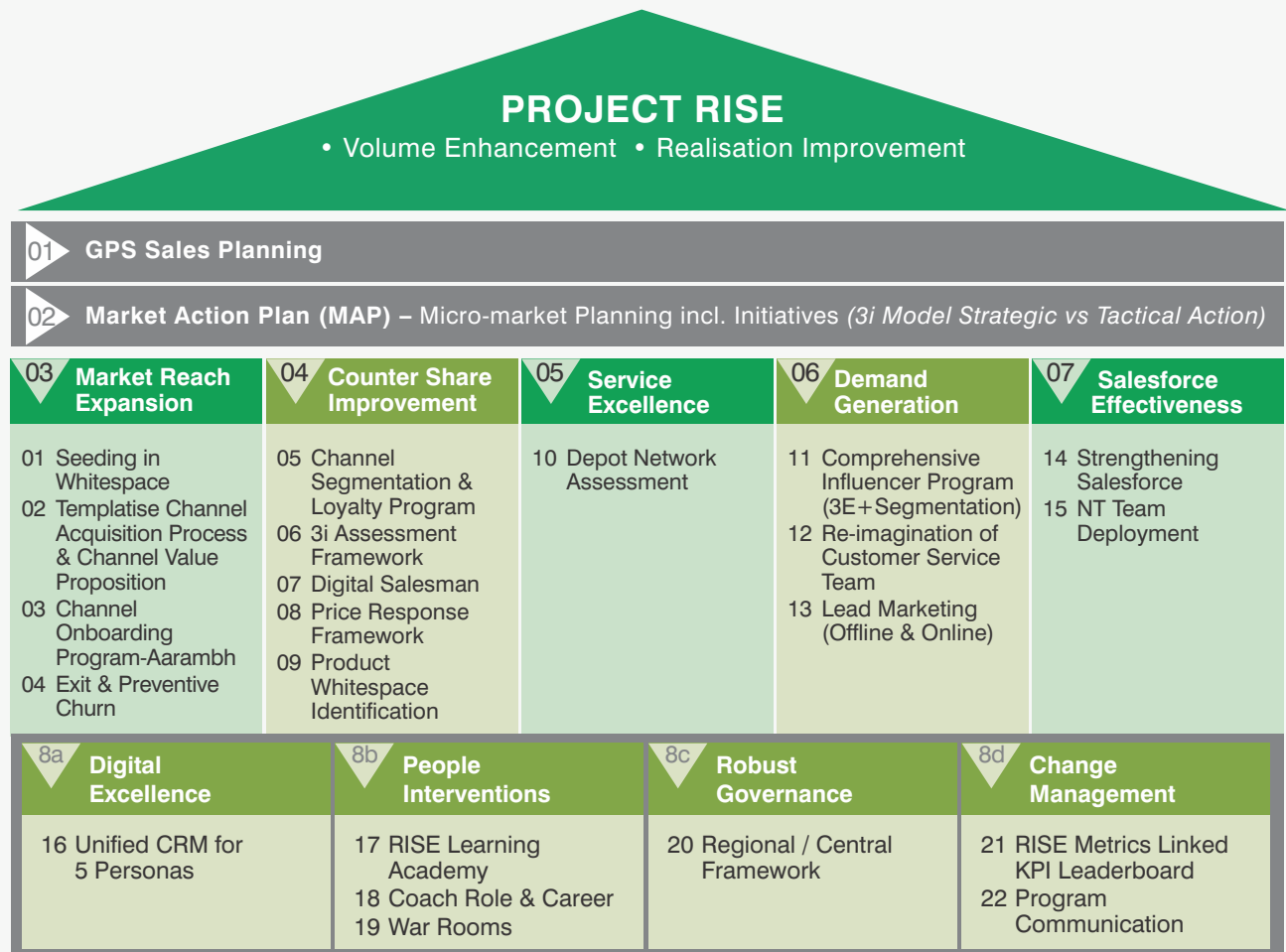
The refreshed brand identity successfully highlighted our distinct value proposition, differentiating us from competitors. As a result, 'mycem' achieved prominent top-of-mind recall among customers, reinforcing its position in the market and enhancing its competitive edge.



ELEVATING COMPETITIVENESS

In FY24, we launched the **RISE (Return Improvement Through Sales Excellence)** programme to boost our competitiveness in branding, customer service, and channel acquisition. This initiative was driven by the need to adapt to evolving market demands and strengthen our market position.

THE PROJECT RISE HOUSE OF STRATEGY DETAILS THE MAJOR THEMES (AS PILLARS) AIMED AT ENHANCING THE EFFECTIVENESS OF SALES & MARKETING PROCESS



KEY INITIATIVES UNDER RISE

- Unified Customer Relationship Management System: Implemented to enhance the efficiency of our sales processes.
- Brand Repositioning: Launched new packaging and redefined our brand architecture.
- New Product Launch: Introduced water-repellent cement under a new brand.
- Influencer Loyalty Programme: Established to build stronger customer relationships.
- Market Expansion: Expanded our footprint into new markets.

These steps are designed to refine our sales strategy, enhance brand visibility, and improve overall customer engagement, driving sustainable growth and excellence in our sector.



DRIVING BRAND VISIBILITY, DIGITALLY

In today's digital age, maintaining a strong online presence is crucial for cement manufacturers like HeidelbergCement India Limited. An effective online strategy helps build brand awareness, engage with a broader audience, and drive customer loyalty, even in a traditionally offline industry.



ACHIEVEMENTS IN FY24

IMPRESSIVE DIGITAL REACH

- **Total Views:** We achieved a staggering 464 million views for our digital ads across Meta and Google platforms.
- **YouTube Engagement:** Our Television Commercial garnered 1.6 million minutes of watch time on YouTube, with 1.3 million minutes coming from Google Ads.

SOCIAL MEDIA AND TRENDS

- **Trend Integration:** We actively engaged with social media trends, including IPL coverage, festive posts, and election awareness campaigns, to connect with diverse audiences.

INFLUENCER AND APP PROMOTION

- **Influencer Outreach:** We targeted influencers (contractors) to enhance our brand's reach.
- **App Installation:** We pushed for Sambandh + app installations through various digital platforms.

These initiatives significantly boosted our online presence, enhancing brand visibility and engagement in FY24



HUMAN CAPITAL

At HeidelbergCement India, our people embody our core values and drive our sustainability goals. They are the force behind our productivity, innovation, and quality, turning policies into practices and roadmaps into milestones. We are deeply committed to their welfare, development, and job satisfaction, fostering an inclusive environment with ample growth and learning opportunities.

We prioritise our employees' well-being by addressing their physical, emotional, financial, social, and career needs. Embracing diversity, we reject all forms of discrimination based on race, gender, ethnicity, nationality, religion, or sexual orientation.

By investing in our people and embedding sustainability within our workforce, we are dedicated to building a greener future for generations to come.



NURTURING A CULTURE OF DIVERSITY & INCLUSION

DIVERSE LEADERSHIP

Embracing diversity at the highest levels empowers our entire organisation. Our Board, with six members including two female directors, brings diverse expertise crucial for sustainable growth and long-term value.

This leadership not only drives business success but also fosters a culture of accountability and inclusivity across HeidelbergCement India.

INCLUSION AT THE CORE

At the heart of our success is a commitment to diversity and inclusivity. Our offices and plants are powered by a workforce rich in diverse backgrounds and perspectives, driving innovation, creativity, and informed decision-making. We prioritise people in every aspect of our operations, from hiring and talent management to employee development, ensuring a nurturing and inclusive environment.

WELL-BEING AT WORK

Employee well-being is essential not only for individual health and happiness but also for our business's overall success. We focus on promoting physical, mental, and emotional well-being through a range of initiatives designed to create a supportive work environment.



ENGAGING AND EMPOWERING EMPLOYEES

Our employee engagement programmes are rooted in sustainability, aiming to motivate our workforce, enhance corporate success, contribute to national development, and inspire a passion for work. We create an environment that maximises productivity, satisfaction, and enjoyment, leading to effective performance.

KEY AREAS OF ENGAGEMENT

Our robust employee engagement initiatives focus on five key areas:

- Employee, Family & Society
- Health & Sports
- Art & Craft
- Knowledge Sharing
- Cultural Activities



Within these areas, we offer various activities such as outbound training, birthday celebrations, plant visits with product awareness sessions, sports events that include family participation, quiz competitions, and reward & recognition programmes for outstanding performance. We also celebrate a wide range of festivals together, fostering connections and building rapport among employees. These initiatives not only showcase our team's talents but also create a joyful work atmosphere, contributing to increased productivity and overall happiness.

LEARNING AND DEVELOPMENT: BUILDING FUTURE-READY SKILLS

ELEVATING COMPETENCIES ACROSS FUNCTIONS

In today's dynamic environment, continuous learning and adaptability are essential for organisational success. Recognising that our people are key to progress, our learning, development, and training programmes are designed to enhance skills, knowledge, and productivity. We aim to create a resilient and agile workforce prepared to meet future challenges and seize opportunities.



TRAINING NEEDS ASSESSMENT AND ALIGNMENT

To ensure our employees are well-equipped for their roles, we conduct Training Needs Identification (TNI) at the start of each fiscal year. This process helps align individual capabilities with job requirements and identifies various training needs, including technical, cross-functional, compliance, and behavioural skills. By addressing these needs, we ensure our workforce remains proficient and ready to adapt to evolving demands.

CAREER GROWTH OPPORTUNITIES

Our comprehensive learning and development initiatives offer employees the chance to advance their skills across multiple domains, including safety, technology, compliance, functional, behavioural, and soft skills. These opportunities are designed to support career growth and expand awareness, ensuring our team members are well-prepared for diverse challenges and career advancements.

COMMITMENT TO HUMAN RIGHTS

We are dedicated to upholding fair labour practices, non-discrimination, and freedom of association. Our Human Rights policy mandates compliance from all stakeholders, including suppliers, and aligns with International Labour Organisation standards. This includes prohibiting child and forced labour, ensuring non-discrimination, and supporting collective bargaining rights. We maintain a robust monitoring system, including an anonymous compliance hotline, to report and address any violations of social and professional norms.

PRIORITISING OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety are core values for our Company, guiding every aspect of our operations. Each day at our plants starts with safety gate meeting where key safety issues are discussed, complemented by a safety prayer and pledge. We believe that it is the smiles that will take us miles, and we are committed to giving our workers more reasons to smile. Safety conversations and dedicated safety zones, managed by cross-functional teams, engage employees and foster a strong safety culture.

HeidelbergCement India leads the Occupational Health and Safety drive from the front



We adhere to Heidelberg Materials Group's norms, guidelines, and ISO 45001 standards for Occupational Health and Safety Management. Employees receive comprehensive safety training, including inductions, refresher courses, and job-specific training in areas such as scaffolding safety and working at heights or in confined spaces.



ELEVATING AWARENESS AND EXCELLENCE WITH NATIONAL SAFETY WEEK

National Safety Week, held from 4th to 11th March 2024, was a grand success across all our plants, aiming to enhance safety awareness. We focused on 24 critical safety hazards specific to the cement industry, with monthly themes to reinforce key safety practices and foster a proactive safety culture.

Additionally, truck drivers received training in defensive driving techniques. We continuously monitor workplace conditions, including noise, particulate matter, free silica, and illumination, ensuring compliance with regulatory norms. This comprehensive approach underscores our commitment to safety and excellence.



ZERO HARM GOAL

We operate with a 'Zero Harm' philosophy, committed to maintaining a healthy and safe environment for all employees, contractors, and stakeholders.

SAFETY FIRST & ALWAYS

Our dedication to safety involves comprehensive training for everyone on our premises. New employees undergo mandatory safety training, including fire-fighting as part of their induction. Regular safety sessions for shop floor personnel ensure continuous readiness. Beyond training, we prioritise spreading awareness of occupational health and safety practices to minimise accident risks at our plants.



COMMUNITY WELL-BEING

20,000+ lives benefitted through our CSR activities in FY24

Our collaborative CSR approach partners with communities, government bodies, and Local Authorities to drive meaningful change. By harmonising efforts with stakeholders like Panchayati Raj Institutions, we tailor initiatives to meet community needs and enhance living conditions. Our in-house teams use a structured process to identify these needs and periodically assess the impact of our interventions, ensuring continuous improvement and relevance in our CSR efforts. By promoting local participation, we strengthen our bond with the local communities for economic and social development.

CSR FOCUS AREAS:

Education | Healthcare | Livelihood Enhancement | Infrastructure Development | Social Engagement

CSR SPENDING DURING LAST THREE FINANCIAL YEARS:

YEAR	Statutory Obligation	Actual Expenditure
2021-22	75.3	80.5
2022-23	75.0	78.5
2023-24	57.5	62.4

(MINR)

During FY24, we invested INR 62.4 million on various CSR activities / projects, thereby exceeding the obligations pursuant to Section 135 of the Companies Act, 2013.

TRAINING RURAL YOUTH

We invest in empowering rural youth by harnessing their entrepreneurial potential and equipping them with skills for self-reliance. Partnering with the Centre for Entrepreneurship Development (CEDMAP), supported by the Madhya Pradesh Government, we offer three-month courses in trades like beauty services, tailoring, computer operations, and motor driving. These courses, conducted regularly at our Sakshamta Vikas Kendras in Jhansi and Damoh, provide participants with a certificate of completion.



In FY24, 260 rural youths received training, enabling them to pursue sustainable livelihoods and contribute to their communities.



STRENGTHENING THE FOUNDATION:

We are strengthening society's foundation by investing in education, transforming rural schools and supporting holistic child development through focused CSR initiatives.

- Upgraded infrastructure in 12 government schools across Damoh, Jhansi, and Ammasandra, benefiting over 4,200 students and 75 teachers.
- Transformed existing classrooms into digital learning spaces, along with extensive repairs and renovations.
- Provided scholarships, educational kits, and uniforms to meritorious students to support higher education.
- Collaborated with District Women and Child Development Departments to convert Anganwadi centers into model facilities.



ADVANCING HEALTHCARE AWARENESS:

We regularly organise health check-up camps, addressing both general and specific community needs. Our mobile medical van team consistently delivers essential healthcare services through these rural camps.



EMPOWERING FARMERS FOR A GREENER FUTURE:

We strive to sustainably improve the quality of life in our neighbouring communities by promoting natural farming practices. These methods are essential for preserving soil health, reducing dependency on chemical inputs, and ensuring long-term agricultural productivity. In Jhansi, we've successfully motivated 50 farmers to adopt these eco-friendly practices, fostering a resilient farming community.

ENSURING INFRASTRUCTURE DEVELOPMENT:

We are committed to advancing the infrastructure around our plants and mines. Our efforts include building durable concrete roads, efficient drainage systems, and providing access to clean drinking water. We've also installed solar lights and high mast lighting, established cremation grounds and community centers, and developed a versatile playground, among other key initiatives.



AUTOMATION & DIGITALISATION

The integration of automation and digitalisation has transformed our operations, enhancing production consistency, quality standards, waste reduction, and human productivity. Digital solutions are now integral across our value chain, from raw material mining to customer interactions. Our digital transformation strategy, guided by Heidelberg Materials, focuses on three pillars:

HConnect:

Delivers an end-to-end customer experience with real-time information, improving feedback, business development, and reducing back-office workload.

HProduce:

Offers real-time insights and advanced analytics, boosting production efficiency while lowering costs.

HService:

Streamlines partner interactions by digitalising repetitive processes and automating them through robotics.

This strategy not only drives Company growth but also enhances efficiency in production and administration, aligning with our commitment to sustainable performance.

STREAMLINING PROCESSES WITH AUTOMATION

In our high-volume operations, repetitive tasks like issuing invoices, debit notes, and credit notes require significant time and resources. To boost efficiency and consistency, we implemented Robotic Process Automation (RPA) as part of our digital transformation in FY24.

KEY INITIATIVES INCLUDE

AUTOMATING INVOICE PROCESSING

- Previously, processing invoices for transporters involved complex communication between service providers, users, and our Accounts Payable department.
- Handling around 8,300 invoices from 160 vendors annually, this process was labour-intensive.
- RPA now automates the creation and distribution of service entry sheets, reducing manual effort and improving accuracy.

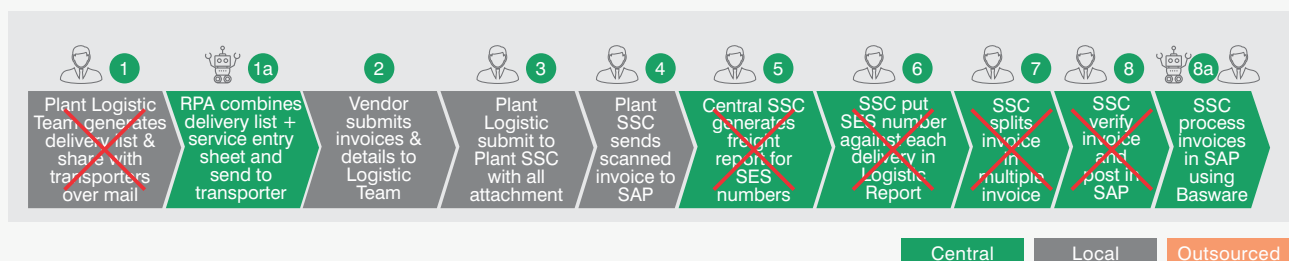
MODIFIED SAP SYSTEM

- We successfully implemented SAP Ariba that has transformed traditional procurement to digital sourcing.
- This includes updating master data, configuring pricing conditions, and enhancing reporting capabilities.

STANDARDISING TAX INVOICES FOR BASWARE

- We standardised tax invoice formats to integrate seamlessly with Basware, a software for automated Invoice management and payment processing.
- This standardisation speeds up payment cycles, reduces manual intervention, and ensures tax compliance.

Through these initiatives, we're not only streamlining our processes but also driving sustainable performance by reducing resource consumption, and enhancing overall efficiency.



FROM TRADITIONAL PROCUREMENT TO DIGITAL SOURCING

In December 2022, we embarked on a transformative journey by implementing SAP Ariba Buying, transitioning from traditional procurement to digital sourcing. By March 2024, our commitment to leveraging digital tools has yielded substantial results, particularly in enhancing efficiency and reducing costs.

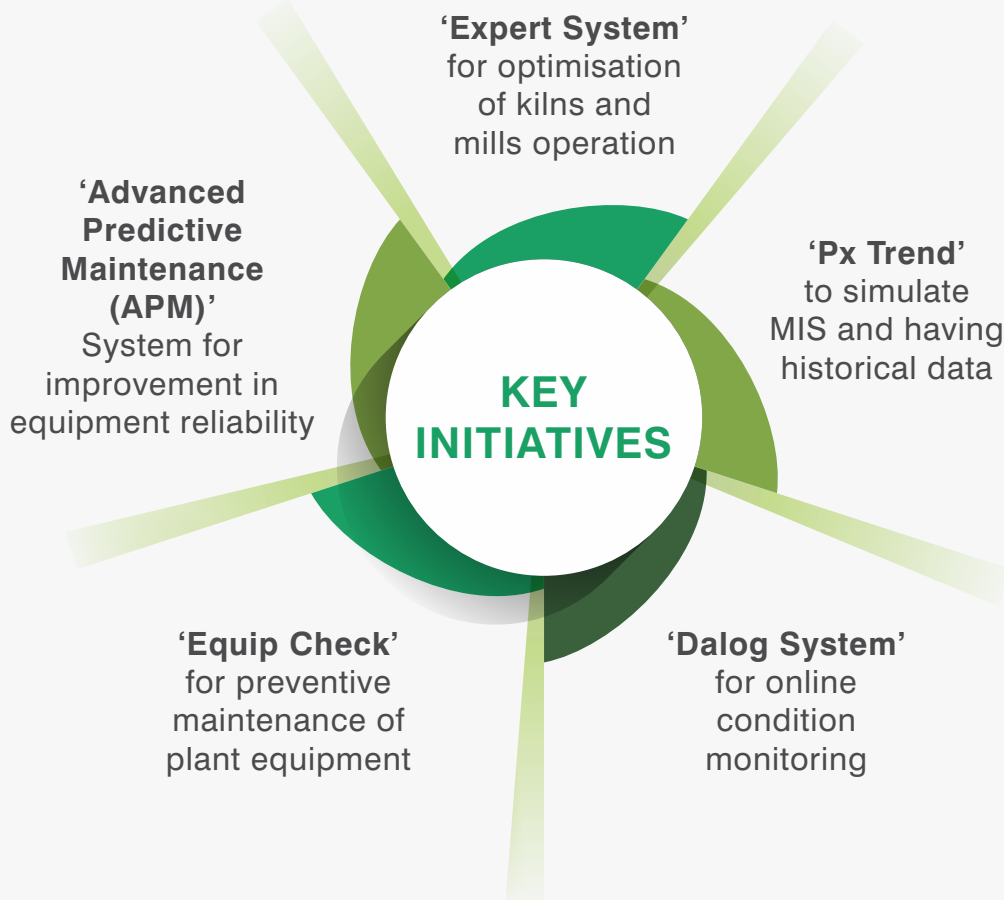
Over the last 18 months, SAP Ariba has become a cornerstone of our procurement strategy. We have achieved a utilisation level of 20%, with current usage for fast-moving items surpassing 90%. This adoption has driven inventory optimisation and expedited the conversion of Purchase Requisitions (PR) to Purchase Orders (PO).

KEY MILESTONES INCLUDE:

- Creation of over 70 customised catalogues, featuring fixed prices, discounts, and long-term contracts.
- Significant reduction in PRs, enabling effective spend planning and streamlined inventory management.
- The digitalisation of procurement processes, resulting in centralised and optimised operations.

With SAP Ariba in place, we have recorded a surge in automation from 0.6% to 7%, drastically cutting repeat orders, minimising storage needs, and aligning with our commitment to sustainable performance.

DIGITALISATION OF PLANT OPERATION & MAINTENANCE



FROM THE DESK OF THE MANAGING DIRECTOR



Dear shareholders, customers, partners and employees, it gives me immense pleasure to present to you the Company's Annual Report for the Financial Year 2023-24 (FY24).

The global economy has improved after the challenges of the pandemic aftermath and the Russia-Ukraine war. The global cement market size was valued at USD 405.99 billion in 2023 and is projected to grow from USD 423.24 billion in 2024 to USD 592.38 billion by 2032, exhibiting a CAGR of 4.3% during the forecast period. Asia Pacific dominated the cement market with a market share of 73.66% in 2023.

At the same time, India continued to show resilience with a 7-8% GDP growth in FY24. This growth was fundamentally driven by domestic demand, investments and exports. The fiscal stimulus, the RBI's accommodative stance, and the structural reforms also supported the recovery.

The global economic outlook for FY25 is positive, but faces risks from inflationary pressures. The IMF has projected that the global GDP will grow by 3.3% in FY25. The Indian economic outlook for FY25 is optimistic, as the country will benefit from the global recovery, continuation of the Government and the policy support. The IMF has forecasted that India's GDP will grow by 7% in FY25; the

fastest among the major economies. The growth will be driven by consumption, investments, finances and reforms.

Heidelberg Materials, parent company of HeidelbergCement India Limited, provides innovative solutions for the construction industry and is a pioneer in the field of decarbonisation. The Company is committed to climate protection by reducing its carbon footprint and investing in cutting-edge technology such as Carbon Capture, Usage and Storage (CCUS) projects. It is a process that captures carbon dioxide (CO₂) emissions from industrial sources and either uses them for other purposes or stores them underground. Heidelberg Materials is involved in several CCUS projects around the world. These projects aim to demonstrate the feasibility and scalability of CCUS technology for the cement industry, which is one of the major sources of CO₂ emissions globally.

On similar lines, HeidelbergCement India Limited is continuing its focus on sustainability, with efforts in increasing green power usage and reducing carbon emissions.

Few of the initiatives undertaken are: Use of a 22 kms. long Over Land Belt Conveyor (OLBC) and a 15 kms. long Ropeway system for raw material transportation



which significantly reduces emissions. The Company focuses on environmental conservation, social responsibility and economic viability; sustainability into its value chain. Key achievements of the Company include water positivity of 3.76 times, plastic negativity of 3.63 times and significant progress in energy transition with increased use of green energy. Today, all plants of the Company are consuming green power ranging from 30% to 95%. The Company also lays emphasis on biodiversity conservation, with green cover extending to over 38% of the factory area and the development of water bodies to support plantation.

We are leveraging digital tools, promoting automation and using advanced analytics to improve processes. As we operate on high-volume transactions, engaging in numerous activities such as issuing invoices, debit notes and credit notes on a daily basis; to enhance the efficiency and standardisation, we've introduced Robotic Process Automation (RPA) to streamline various processes throughout the Financial Year 2023-24. This includes automating the creation and sending of service entry sheets to transporters, modifying the SAP system to accommodate changes in business processes and standardising the format of tax invoices to support Basware.

The Company is trying to increase its volumes through several initiatives i.e. increasing its volume with capital expenditure of Rs. 700 million to de-bottleneck capacity in Central India. At the same time we have embarked on a very impactful sales and marketing excellence program, making the complete plant to customer journey more impactful and exciting. A brand refresh exercise has been carried out in the market along with launch of our premium PowerShield brand, which has been already accepted with great enthusiasm by our customers.

Efforts are being made to boost employee morale and well-being, along with impactful CSR initiatives. The Company emphasises employee welfare through various programmes aimed at skill development, health and safety, and employee engagement. The Company has undertaken several community development projects focusing on education, healthcare and infrastructure development. The Company has a dedicated CSR committee that oversees the planning and execution of CSR activities. The company has also implemented environmental sustainability initiatives such as afforestation, water conservation and waste management.

HeidelbergCement India Limited is committed to lead with integrity and continuous improvement. FY24 was the period of accomplishments; however the company is not resting on its laurels. The company recognises the fast pace of change in the world and understands the

importance of evolving and innovating to maintain lead over competitors.

For the Company, integrity is paramount to how it conducts the business. This includes maintaining ethical behaviour, transparency and responsibility in all engagements with the stakeholders. It involves adhering to the highest levels of quality, safety and environmental stewardship in the processes. The Company is dedicated to honour the diversity and worth of its workforce and the communities alike.

Looking ahead to 2025, the Company feels assured that its strategies, human capital and values shall help face any obstacle with confidence and grasp possibilities that might come its way. The Company is optimistic about what lies ahead and invites you to continue this journey with HeidelbergCement India Limited.

Creating value for all our stakeholders through sustainable practices is a pledge I take to lead the Company into the future. With integrity and transparency as our core values, I foresee our Company progressing sustainably in the coming years. I am deeply thankful and indebted to all our board of directors, top management of Heidelberg Materials Group, committed employees, esteemed customers, long-standing channel partners, suppliers and our valued shareholders for reposing their faith in the Company and for their continued support.

Yours Sincerely,

Joydeep Mukherjee
Managing Director



PROFILE OF BOARD OF DIRECTORS



Ms. Jyoti Narang

(Chairperson) Independent Director

Ms. Jyoti Narang, aged 66 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 focus areas.



Mr. Atul Khosla

Independent Director

Mr. Atul Khosla, aged 66 years, completed his Bachelor of Engineering with a major in Mechanical Engineering from NIT, Sambalpur University, Rourkela, Odisha, India. He has also undergone several top management level executive programmes at IMD Lausanne, Business Management Programme at S.P. Jain Institute of Management & Research and Cement Masters programme at Lyon.

Mr. Khosla has 41 years of experience in the industry. He started his career with Larsen and Toubro Ltd. and after over 20 years moved to Lafarge India. Thereafter, he joined Holcim Group (ACC) and oversaw the plant operations and subsequently oversaw the projects of the entire group till he joined CRH Plc. as Managing Director for its Indian operations.

He is a strategic visionary, business leader, technocrat, cross functional manager with four decades of hands-on experience in the Cement industry, leading for business excellence. He is innovative and entrepreneurial and has worked with the leading Global and Indian companies.



PROFILE OF BOARD OF DIRECTORS



Mr. Roberto Callieri

Non-Executive Director

Mr. Roberto Callieri, aged 60 years, completed his Degree in Electrical Engineering from University of Cagliari in 1990 and Financial Management from Bocconi University, Milan, Italy. He has also completed Advanced Management Program from Harvard Business School, Boston, USA.

Mr. Callieri joined Italcementi Group in 1990, where he held several senior management positions in Puerto Rico, USA, Canada, Turkey, Thailand, Egypt, and Italy. From 2016 until the end of 2023, he headed the Italian operations of Heidelberg Materials Group. He has been a member of the Managing Board of Heidelberg Materials AG since January 2024 and is responsible for Asia operations.

Traversing his professional career spanning over three decades, Mr. Callieri has gained rich and vast experience in plant operations & maintenance, project management, sustainability, business integration, brand leadership, corporate management, strategy formulation and cost leadership in international cement business. He has led many successful operational and marketing turnarounds resulting in re-establishing profitability and competitiveness. He is a highly disciplined professional with balanced approach, self-starting personality and ability to independently operate under challenging business situations. He is a strong believer in nurturing talent, building high performing teams and ability to successfully integrate and be accepted in multicultural environments.



Ms. Soek Peng Sim

Non-Executive Director

Ms. Soek Peng Sim, aged 55 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 Heidelberg Materials 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.



PROFILE OF BOARD OF DIRECTORS



Mr. Joydeep Mukherjee

Managing Director

Mr. Joydeep Mukherjee, aged 57 years, holds a master's degree in International Business and Marketing (E.M.I.B) from Indian Institute of Foreign Trade and a bachelor's degree (Honors) from Calcutta University. He has also undergone several top management level Executive Education programs in IMD Lausanne, CH and ISB Hyderabad. Mr. Mukherjee has over 33 years of experience in leading large teams and delivering results across various industries. Prior to joining HCIL, Mr. Mukherjee was working as Chief Operating Officer at RR Kabel, a leading wires and cable manufacturer in India.

He was also associated with H&R Johnson as Chief Executive Officer and Executive Director, leading the business of Ceramic Tiles, Bath products and Kitchens, other than being on the Board of Prism Johnson Limited.

Mr. Mukherjee had also spent 8 years at ACC Limited and held senior leadership roles including Chief Executive for South & West Business, Head of Logistics, RMC and B2B sales and Director Sales for North & Central India. In this stint, he has been credited with launch of 2 highly successful premium products of ACC and delivering impactful results on both top line as well as plant efficiencies in his region. He has been a Managing Committee member of ACC Limited from June 2013 to December 2015 and on the Board of 2 joint ventures of ACC.

Prior to joining ACC, Mr. Mukherjee held the position of National Sales Manager of the foil and packaging business of Hindalco Limited. In his last 3 professional stints, Mr. Mukherjee led to several highly successful transformation projects in Logistics, HR, Sales and Manufacturing.



Mr. Vimal Kumar Jain

Whole-time Director

Mr. Vimal Kumar Jain, aged 56 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 32 years, consisting of 19 years abroad and 13 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 Heidelberg Materials 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 Heidelberg Materials Group, he has worked with RAK Cement of U.A.E., Prism Cements and Raymond Cement in various capacities in projects and technical functions.



MANAGEMENT SPEAK

DRIVING PERFORMANCE, SUSTAINABILITY: THE FUTURE OF THE CEMENT INDUSTRY

In today's rapidly evolving business environment, the cement industry stands at a crossroads where performance and sustainability must be seamlessly integrated to drive future success. As global demand for cement continues to rise, so does the pressure on companies to operate more efficiently while minimising their environmental impact. Embracing this dual challenge requires a strategic approach that balances operational excellence with sustainable practices.

To enhance performance, cement companies must leverage cutting-edge technologies and optimise their production processes. Innovations such as advanced automation, real-time data analytics and predictive maintenance can significantly improve operational efficiency. In the digital age, data is a powerful tool for driving performance. Cement companies should harness data analytics to monitor and improve performance continuously. Real-time data on energy consumption, emissions and production efficiency can provide actionable insights that drive operational improvements.

A critical component of sustainable performance is the transition to renewable energy sources. The adoption of renewable energy not only aligns with global sustainability goals but also mitigates the risks associated with fluctuating fossil fuel prices. Carbon emissions are a significant concern in the cement industry. To drive performance sustainably, it's imperative to adopt technologies that lower carbon outputs. Innovations such as carbon capture and storage (CCS) and the use of alternative materials in cement production can help reduce the carbon footprint. Resource efficiency is another pillar of sustainable performance. Cement companies should focus on reducing waste and improving the efficiency of raw material usage. This involves optimising the use of inputs, recycling waste materials and improving overall resource management practices.

Driving performance sustainably requires a shift in organisational culture. Cement companies must foster a culture that prioritises sustainability in every aspect of operations. This involves setting clear sustainability goals, engaging employees in sustainability initiatives and embedding sustainable practices into the Company's core values.

Driving performance sustainably in the cement industry is not just a regulatory or ethical imperative; it is a strategic advantage that can lead to long-term success. By optimising production processes, investing in renewable energy, reducing carbon emissions,



Mr. Vimal Kumar Jain
Whole-time Director

enhancing resource efficiency, building a culture of sustainability, collaborating for greater impact and leveraging data, cement companies can achieve a harmonious balance between performance and environmental stewardship.

HeidelbergCement exemplifies this approach by increasing thermal energy substitution (TSR) to 10.5%, consistently boosting renewable power use year-on-year to ~35%, producing 100% blended cement, and implementing advanced digitalisation with AI and machine learning. We are further working to increase the TSR to 45% by 2030 and renewable power share to >50% of what is needed.

As the industry moves forward, the integration of sustainability into core business strategies will be crucial for maintaining competitive advantage and contributing to global sustainability goals. Embracing this approach will not only drive operational excellence but also foster a more resilient and responsible cement industry for the future.



MANAGEMENT SPEAK

‘Driving performance sustainably’ has been the focus area of our Company in the financial year 2023-24. We have achieved a commendable performance with sales volume increasing by 9.4% compared to last year; which has positively impacted profitability.

During the year, we benefited from lower fuel costs and higher proportions of green power and alternative fuel consumption. However cement prices declined due to intense market competition. Our net profit surged from MINR 992 in FY23 to MINR 1,678 in FY24, reflecting a 70% growth. Consequently, the Board has recommended an increased dividend of 80% for FY24. We have also repaid the second tranche of an interest-free loan amounting to MINR 630 from internal accruals. The Company has strong Free Cash Flow during the FY24 and carries over highest Cash & Cash Equivalents of BINR 5.3 which clearly shows its readiness for future growth.

The cement sector currently faces significant challenges and is grappling with the impact of excess capacity that has reduced capacity utilisation to around 70%. Given the substantial capital investments required by the sector, this underutilisation fails to yield adequate returns. However, the Indian economy is projected to grow at a robust rate of ~ 7%, and as a core sector, cement will reflect this GDP growth. More so, the Government's emphasis on infrastructure development and its consistent budget increases for such projects is brings in good news for the cement industry.

Advancement of our digitalisation and automation journey, initiated in the previous years, has improved our competence leaps and bounds. During the year, we have optimised several processes through Robotic Process Automation (RPA). For instance, RPA has automated the end-to-end process of receiving, verifying and accounting invoices from our carriers; eliminating the need for manual intervention.

This year, our priorities include sustaining growth and enhancing working capital management; specifically targeting improvements in DSO and DIO. We have allocated increased CAPEX for FY25, mainly for a clinker debottlenecking project scheduled to be operational by March 2025. Furthermore, we remain dedicated to achieving our ESG objectives by lowering carbon emissions, promoting inclusive growth and maintaining our water-positive status.

We extend our gratitude to all stakeholders for their support and remain confident in driving a sustainable performance.



Mr. Anil Kumar Sharma
Chief Financial Officer



MANAGEMENT SPEAK

Financial year 2023-24 has been a year of structural change in the cement industry and we are witnessing expansions / mergers and acquisitions across the industry; creating a dynamic environment for Human Resources (HR) in many ways.

Driving performance sustainability required reflection on our own commitment to align our goals to employee value proposition.

As the search for right talent continued, we continued to see talent movement in and out. We hire individuals who not only fit the current needs but also align with the long-term vision of the Company. We hired over 180 such new employees into the organisation, including blue collar employees. As a part of our internal HR strategy, we provide boost to internal talent and many positions, including at senior management were filled through in house talent movement as a result of effective succession planning and Internal Job Postings (IJPs). As a pilot programme, 30-60 days and 90 days feedback programme was initiated in one of our plants for all new hired. This, we are sure, will help us understand our workforce better and provide a more nurturing environment for them. Succession planning was completed for all top and senior management and the N-2 levels.

We also continued to invest time and money on ongoing learning and development programmes to enhance employees' skills and capabilities. Multiple trainings were conducted clocking over 20 thousand man hours, through in-house and external channels. Safety trainings and sustainability as well as compliance trainings formed an integral part of these development initiatives. Skill matrix for the blue collar employees was created for one of the plants, which will help us evaluate, develop and motivate the workmen and improve shop floor productivity.

Promoting performance culture in the organisation is the key to long-term sustainability and growth. Goal setting and reviews formed the very basic foundation in improving productivity apart from any reorganisation initiative in sales, HR and plants for better reach to our customers.

Digitalisation in HR moved a notch higher with launch of our digital platform initiated by the HC (check) group in Germany. All data management, talent management, succession planning, performance review process and goal setting process were kicked off and completed on this platform; with user trainings completed at the relevant levels.

In order to promote employee well-being, some employee policies like the leave policy, recruitment



Ms. Poonam Sharma
Human Resource-Director

policy, travel policy, etc. were made more employee-friendly. We trust that this will also support work-life balance to prevent burnout and ensure long-term productivity. Health and Wellness programmes continued to be the focus at all our plants, with many initiatives taken by our medical team.

Employee satisfaction survey was also conducted to gauge the employee morale and their engagement with the organisation. The results were shared with the leadership team as a pilot programme in order to initiate action planning to foster more positivity in the organisation.

Industrial relations stayed peaceful and harmonious. We successfully completed all wage settlements in the plants with a mutual understanding under a conducive environment.



MANAGEMENT SPEAK

We strongly believe in continuous positive performance to sustain competition and to achieve this one has to be future ready with latest trends and technologies. We are always ahead of the industry in implementing latest trends in sourcing and new initiatives and strategies to minimise or avoid spend to drive performance sustainably. Investing in technology, opting for renewable energy and alternative materials is the only way for sustainable future, especially for the Cement Industry.

We are continuously benefited from Group's innovative procurement strategies, process digitalisation, cost economics and availability of cheaper and quality products from the Group's centralised procurement hub. We have always been proactive in implementing procurement strategies from time-to-time in sync with the Group. We are also happy to inform that India is one of the procurement hub for sourcing to various Group companies in order to meet their requirement of equipment, spares and consumables, etc. With India having abundant resources, various engineering and manufacturing companies, original equipment manufacturers (OEMs), we can compete on cost and quality; thereby effectively promoting 'Make in India'.

Our continuous focus on digitisation of procurement activities over the years have shown remarkable results with effective usage of Ariba for sourcing activities. Having customised catalogues with fixed prices and discounts, and long-term contracts has not only reduced inventory considerably but effective planning has also reduced spend. We are the first country in the group to identify and share obsolete items information for inter-company transfer in view of avoiding spend and utilising dead stocks, and inventory impacting working capital. With SAP Ariba in place, automation has gone up from mere 0.6% to 7%; thus reducing repeat orders, eliminating unwanted materials, ensuring bare minimum inventory, sourcing as and when required, reduction in storage and eliminating wear outs.

We have ensured time-to-time sourcing while following market trends with minimum inventories possible for fuels, raw materials and packaging; as they are main drivers of cost reduction. While constantly chasing for good quality of Indian coal, we have reduced cost commendably by improving and maintaining sustained quality through washeries. We are constantly monitoring global petcoke prices and are negotiating with local refineries to ensure maximum price advantage and at the same time we are securing quantities month-on-month with zero dependency on imports.

Spares and consumables, repair costs have skyrocketed with high demand for skilled manpower, higher input costs and lack of alternatives. We are continuously identifying new suppliers and contractors, using online



Mr. Purnachander Molugu
Procurement-Director

bidding, developing alternatives for OEMs, in-house works, etc. that helps us in containing cost and ensures timely arranging and handling of shutdowns.

In view of aligning with Group goal of Carbon Net Zero Company, we are trying our best to reduce dependency on conventional energy by increasing share of alternative fuels while replacing fossil fuels. With continuous investment in technology and modifications, we achieved TSR of 8% from 6% in FY23 and have an ambitious target of 45% by 2030. Towards sustainability, we are ensuring uninterrupted supplies of flyash for 100% fly ash based PPC cement; thereby reducing clinker incorporation to that extent. We are increasing usage of byproducts such as redmud and slag, both are engineering waste and byproducts of other industries, which are excellent performance cementitious material that substitutes natural raw materials.



BOARD'S REPORT

To the Members,

The Directors are pleased to present the 65th Annual Report together with the audited financial statements of HeidelbergCement India Ltd. (the Company) for the financial year ended 31 March 2024 (FY24).

THE YEAR IN RETROSPECT

During FY24, the global economic activity witnessed signs of slowdown in both the manufacturing and services sectors. Tight financial conditions weighed on consumer and business sentiments prompting the fiscal and monetary policy-makers to consider policy calibrations. The data published by International Monetary Fund (IMF) indicates slight decline in global growth to 2.9% in 2024, down from 3% in 2023. The relative resilience in global figures is due to the growth performance of emerging economies, while the momentum in advanced economies is fading. The ongoing geopolitical rifts are a cause of concern and the same are also leading to global economic volatility. While the interest rates continue at an elevated level but signs of easing global inflation have raised expectations of reduction in interest rates in near future which will provide much needed impetus to the economic activity.

India has decisively withstood global headwinds and remained the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rate regime and robust foreign exchange reserves. Despite widespread pessimism witnessed among the

developed nations and the worsening geopolitical situation, Indian economy recorded GDP of 8.2% during FY24. Index of Industrial Production has registered growth of 5.8% during FY24.

India's economy is relatively insulated from global spillovers compared to other emerging markets because India has a large domestic market and is relatively less exposed to international trade flows. The Indian economy has several positive factors, such as policy reforms aimed at ease of doing business, stable macro-economics, prudent regulatory measures, optimism and increasing domestic demand. Additionally, the healthy balance sheets of banks and corporates, supply chain normalization, business confidence and robust government capital expenditure are indicating towards a renewal of the capex cycle.

Infrastructure and real estate sector is thriving as is evident from the growth numbers of Index of Industrial Production (IIP) for Infra, cement and steel consumption, as well as the government's emphasis on prioritizing spending for infrastructure development in the country.

FINANCIAL HIGHLIGHTS / REVIEW OF OPERATIONS

During FY24, the Company has sold 4.81 million tonnes of cement & clinker compared to 4.39 million tonnes of cement & clinker in FY23, an increase of 9.4%.

A snapshot of the Company's financial performance for FY24 vis-à-vis FY23 is as under:

(INR in Millions)

Particulars	FY24	FY23
Revenue from Operations	23,657.8	22,381.0
Other Income	545.2	452.9
Total Revenue	24,203.0	22,833.9
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) - Including other income	3,712.4	2,941.4
Depreciation and Amortization	1,096.7	1,123.1
Finance Cost	347.6	460.6
Profit before Tax	2,268.1	1,357.7
Total Tax expense	590.6	366.0
Net Profit for the year	1,677.5	991.7

On the operations front, your Company constantly endeavours to benefit from cost economics, innovative procurement strategies, process digitalization, Group's global expertise in sourcing etc., Your company has always strived to optimise costs despite all odds. During the year under review, the price of domestic coal dropped in line with the international trend and the supply situation also improved due to opening up of new coal mines but the quality of coal supplies were not consistent. The softening of global crude price by ~17% led to a correction of ~25%

in petcoke price. The Company took advantage of the situation by altering its fuel mix. Even though the diesel prices remained stable, inbound logistic costs increased due to higher maintenance cost, limited availability of trucks etc., We identified new suppliers & contractors, participated in online biddings, developed alternatives for OEMs and carried out various works inhouse to reduce costs. Your company also implemented SAP Ariba buying which has transformed traditional procurement into digital sourcing.



Digitalization has become an integral part to our civilization and therefore business cannot remain an exception. At HeidelbergCement, we have continued to implement digitalization programs at our manufacturing processes, sales and marketing, Finance, Procurement, Human Relations department, Compliance tools etc., with a view to augment efficiency and reduce human errors.

In view of aligning with the Group's goal of Carbon Net Zero, the Company endeavours to reduce dependency on conventional fuels by increasing usage of Alternative Fuels to replace fossil fuels. With continuous investment in technology and modifications, your company achieved TSR (Thermal Substitution Rate) of 8% against 6% in 2023 with an ambitious target of 45% by 2030. Towards sustainability, we are ensuring uninterrupted supply of Flyash with 100% flyash based PPC cement reducing clinker incorporation to that extent. We are also using other byproducts such as Redmud and slag both of which are engineering waste and byproducts of other industries possessing cementitious qualities.

The cement industry is highly competitive, with companies constantly devising strategies to differentiate their products and grab the attention of customers. Although our 'mycem' brand holds a valued reputation, we felt it necessary to amplify its distinct selling points more effectively. Against this backdrop, we strived for establishing a sharper identity and effectively communicating our values and strengths to customers. Accordingly, we embarked on a brand refresh programme which was driven by rigorous market research and expert insights. As a result of all these efforts we have developed a new brand identity which harnesses on the perception of strong German quality and rich legacy of 150 years of Heidelberg Materials Group. The new brand identity has enabled us to differentiate our value proposition in the eyes of consumers and ensure that our brand achieves prominent top-of-mind recall among customers.

Alongside the brand refresh, we also launched a new sales and marketing excellence project called 'Project Rise' which is a progressive initiative aimed at increasing sales volume and improving price positioning through sales excellence. The project targets to improve the market reach, counter loss of market share, enhance service excellence, generate demand, and increase effectiveness of sales force. The benefits derived so far from the brand refresh programme and the 'Project Rise' are encouraging.

DIVIDEND

The Board has recommended dividend of INR 8 per share (80%) for FY24, subject to the approval of the shareholders at the ensuing AGM (Dividend paid during FY23 was INR 7 per share). The proposed dividend for FY24 will absorb INR 1812.9 million. Therefore, in accordance with the provisions of Companies (Declaration and Payment of Dividend) Rules, 2014, the Board has proposed to withdraw an amount of INR 135.4 million from the accumulated profits of the past financial years.

In accordance with the provisions of the Income Tax Act, 1961 the aforesaid 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 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:

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
8	FY2021-22	9.00	08 September 2022	12 October 2029
9	FY2022-23	7.00	27 September 2023	30 October 2030

* The Shareholders whose dividend for FY2016-17 has remained unclaimed and have also not claimed the same for seven consecutive years, the unclaimed dividend along with its underlying shares will be transferred to Investor Education and Protection fund (IEPF) Authority.

ENVIRONMENTAL SUSTAINABILITY

Your Company believes that cement is the building block of the future and is therefore, transitioning it from grey to green. Our goals and objectives of operating sustainably are aligned with Heidelberg Materials. The dual objective is to not only mitigate the climate change impact but also create opportunities towards achieving future carbon neutrality goals through interventions in energy, raw

materials, waste management etc. Through climate protection and greener operations, we ensure long-term environmental, social, and economic sustainability for the company, delivering sustainable value to our stakeholders and ensuring the availability of resources for generations to come.

In our commitment to create greener cement, we have extended our initiatives beyond conservation and



restoration of ecology to include options for rejuvenation. We have assumed responsibility towards reducing our carbon footprint, water positivity, increasing the green cover and maximising usage of alternative fuels. We also promote circular economy by using waste materials and by-products from other industries as alternative raw materials and fuels. We continuously integrate sustainability principles throughout the entire cement manufacturing process. To accelerate our environmental stewardship efforts, we have defined specific operational goals outlined below with a target to attain them by 2030.

The Company consumed ~34.94% of fly ash in producing PPC cement and ~53.48 % of slag in producing PSC cement. As an alternative raw material, we have used 5.52 % of Red mud, thus reducing limestone consumption, preserving limestone reserves for posterity. During FY24 the Company was plastic negative by 5.24 times.

The Company has made significant progress on the energy transition journey by increasing the use of green energy. During FY24 we have generated 71585 Mega Watt (MW) of power from Waste Heat Recovery Power Plant and 9007 MW of solar power at Damoh, Madhya Pradesh. The Company has initiated AFR feeding system to improve TSR.

In our mining operations we lay special emphasis on 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, 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 Indian Bureau of Mines (IBM) ever since the concept of five Star Rating was introduced by IBM.

CSR APPROACH

The Company is committed to make a sustainable impact on the lives of the local communities in the areas where we operate through our commitment to improve education, enhancing rural infrastructure, and providing better healthcare services. By promoting local participation, the company strengthens its bond with local communities for economic and social development. Our approach is to align our initiatives and efforts with other stakeholders like village institutions, gram panchayats and local bodies of government. During FY24 the Company has spent INR 62.4 million on various CSR activities / projects exceeding the obligations pursuant to Section 135 of the Companies Act, 2013.

The transformation of rural schools in Damoh, Jhansi and Ammasandra in association with the Education Department has always been a top priority. Through this initiative, the basic infrastructure of 12 government schools was upgraded, benefiting over 4,200 students and 75

teachers. Extensive repair and renovation work was carried out in some schools while in few others existing classrooms were upgraded into digital classrooms. Scholarships were given to meritorious students to facilitate their higher education. Educational kits and uniforms were also distributed to students. We are working in close coordination with the District Women and Child Development Departments of Damoh and Ammasandra to transform Anganwadi centers into model Anganwadi centers.

The Company endeavors to bring a sustainable change in the quality of life of neighborhood community. As part of this effort, we have encouraged farmers to adopt natural farming practices. In Jhansi, we successfully motivated 50 farmers to transform to natural farming methods.

We believe in entrepreneurial ability of rural youth and endeavor to make them self-reliant by developing their skills. Quality training that covers various areas of trade is tremendously beneficial. To guarantee this, we have partnered with the 'Centre for Entrepreneurship Development (CEDMAP)' supported by the Madhya Pradesh Government. These courses develop skills in many fields, like beautician, sewing and stitching, computer operations, motor driving etc. These courses are run on a regular basis, and participants are enrolled for three-months certificate course. These courses are being conducted at our skill development centers known as "Sakshamta Vikas Kendras" in Jhansi and Damoh. During FY24, training was imparted to 260 rural youth.

We organize health check-up camps at regular intervals to meet communities' general and specific needs. Under our healthcare program, our mobile medical van team has regularly organized rural healthcare camps.

The Company persistently helps in advancement of infrastructure surrounding its plants and mines. This includes construction of durable concrete roads, efficient drainage systems, access to clean drinking water, installation of solar lights and high mast lights, establishment of cremation grounds, community centers, and the development of a versatile playground, among other initiatives.

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

OCCUPATIONAL HEALTH & SAFETY

Occupational health and safety is a core value for our Company and safety is at the center of everything that we do. The day at the plants begins with safety gate meetings wherein important safety aspects are discussed along with safety prayer and pledge. We believe that it's the "Smiles that will take us Miles".

Safety conversations and safety zones are 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.



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

National Safety week was celebrated from 4th -11th March 2024 in a grand manner across all plants to improve the safety awareness. A schedule of twenty-four most critical safety hazards relevant to the cement industry were compiled. Each month, a safety theme is taken up and its key aspects are deliberated so as to 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.

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.

1. Imlai plant was conferred with fly ash utilisation award from Mission Energy Foundation.
2. The Ammasandra Plant received "Certificate of Appreciation" for maintaining zero failures for Portland Slag Cement from Bureau of Indian Standards, Bengaluru.
3. Damoh unit got the Prestigious Golden Peacock Occupational Health & Safety Award during the 'Institute of Directors' 25th International Conference on Environment Management & Climate Change.
4. Jhansi unit won the CII's National Award for Excellence in Energy Management for 2023. The unit has won this award for 8th consecutive year.
5. Diamond Patharia Limestone Mines has been conferred 5 star rating consecutively for 8 years since the inception of the award in 2015-16. The prestigious award was presented Shri G. Kishan Reddy, Hon'ble Minister for Coal and Mines, GOI and Shri Satish Chandra Dubey, Hon'ble Minister of State for Coal and Mines, GOI.
6. Jhansi Unit received the Bhamashah Award from the State Tax Department & Cultural Department of Uttar Pradesh for being the highest tax-paying industry in Jhansi division.

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 FY24 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. Joydeep Mukherjee, Managing Director and Mr. Anil Kumar Sharma, Chief Financial Officer in respect of the financial statements of the Company for the financial year ended 31 March 2024 is annexed as 'Annexure-B' to this Report.

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report (BRSR), as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, describing the initiatives taken by the Company from Environment, Social and Governance (ESG) perspective forms part of this Annual Report.

DIRECTORS

Appointment of Managing Director

Mr. Joydeep Mukherjee (holding DIN-06648469) was appointed as Managing Director of the Company for a term of three years from 01 April 2023 to 31 March 2026. His appointment was also approved by Shareholders by passing resolution on 27 April 2023 through postal ballot.

Appointment of Independent Director

The Board of Directors of the Company appointed Mr. Atul Khosla (holding DIN-06476856) as an Additional Director in the category of Non-Executive Independent Director, with effect from 06 November 2023. His appointment was also approved by Shareholders for a term of five years from 06 November 2023 to 05 November 2028 by way of passing a special resolution on 12 January 2024 through postal ballot.

Change of Chairperson

Mr. Ramakrishnan Ramamurthy ceased to be Chairman & Non-Executive Independent Director of the Company with effect from close of business hours on 11 February 2024 consequent to end of his five-years term. The Board places on record its appreciation for the valuable guidance and contributions made by Mr. Ramakrishnan Ramamurthy.



The Board of Directors has appointed Ms. Jyoti Narang, Non-Executive Independent Woman Director as Chairperson of the Board with effect from 12 February 2024 in place of Mr. Ramakrishnan Ramamurthy.

Resignation of Non-Executive Director

Mr. Kevin Gerard Gluskie (holding DIN: 07413549) resigned from the position of Non-Executive Director of the Company with effect from close of business hours on 13 March 2024 on account of end of his employment contract with Heidelberg Materials Group. The Board places on record its appreciation for the valuable guidance and contributions made by Mr. Gluskie.

Appointment of Non-Executive Director

The Board of Directors of the Company appointed Mr. Roberto Callieri (DIN-05139888) as an Additional Director in the category of Non-Executive Director, with effect from 14 March 2024. His appointment was also approved by Shareholders by way of passing an ordinary resolution on 26 April 2024 through postal ballot.

Retirement by rotation

Mr. Vimal Kumar Jain, Whole-time 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.

Declaration of Independent Directors

Ms. Jyoti Narang and Mr. Atul Khosla, 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 after duly verifying the veracity of such declarations, hereby confirms that the Independent Directors fulfill the conditions of independence specified in the SEBI (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 FY24, 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 2024 comprised of three members namely, Mr. Atul Khosla (Chairman of the Committee), Ms. Jyoti Narang 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 salient features 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 FY23 already filed with the Ministry of Corporate Affairs (MCA) as well as the draft Annual Return for FY24 (which will be filed with MCA after the ensuing AGM) 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 FY24 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. Joydeep Mukherjee, Managing Director (with effect from 01 April 2023);
- Mr. Vimal Kumar Jain, Whole-time Director;
- Mr. Anil Kumar Sharma, Chief Financial Officer;
- Mr. Rajesh Relan, Sr. Vice President- Corporate Affairs & Company Secretary*; and
- Mr. Ravi Arora, Vice President- Corporate Affairs & Company Secretary**.

*Mr. Rajesh Relan vide letter dated 12 April 2024 has resigned from the position of Company Secretary & Compliance Officer. The Board at its meeting held on 29 May 2024 has accepted his resignation and decided to relieve Mr. Relan from the position of Company Secretary and Compliance Officer of the Company with effect from the close of business hours on 17 June 2024.

**The Board of Directors at its meeting held on 29 May 2024 has appointed Mr. Ravi Arora as Company Secretary & Compliance Officer of the Company with effect from 18 June 2024.

LOANS, GUARANTEES, SECURITY, AND INVESTMENTS

During FY24, the Company has acquired 92,76,800 equity shares of Continuum MP Windfarm Development Private Limited (CMWDPL) constituting 4.57% of the paid-up equity share capital of CMWDPL for the purpose of procuring around 08 Megawatt hours per annum of hybrid power (solar + wind) for Damoh plants on group captive basis.

The Company has not given any loan, guarantee or security pursuant to the provisions of section 186 of the Companies Act, 2013.

The details of Outstanding Loans and Investments made by the Company as on 31 March 2024 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 FY24:

- 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 impacting 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 2024 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 2024 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 2024 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

2024 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 FY24. 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 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 reviewed by the Audit Committee and the Board of Directors from time to time. 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 along with Risk Management Committee 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 frequency of its 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 FY24 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 same 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 FY24, 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 63rd Annual General Meeting (AGM) of the Company held on 08 September 2022 had reappointed M/s. S.N. Dhawan & Co. LLP, Chartered Accountants, as statutory auditors of the Company for second term to hold office up to the conclusion of the 68th AGM i.e., for conducting statutory audits commencing from FY23 until FY27.

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 FY23 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 FY24 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 FY24 on a remuneration of INR 2,75,000. 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 FY25 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 2024 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: Under Regulation 24A of SEBI Listing Regulations it is 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 FY24. The said Report does not contain any qualification, reservation, or adverse remarks. The said Report has been filed with Stock Exchanges and has also been placed on website of the Company. The web link to access the same is as under:

https://www.mycemco.com/sites/default/files/PDF/Secretarial_Compliance_Report/HCILAnnualSecretarialComplianceReport_2023-2024.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 2024 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. However, the information required under aforesaid Rule 5(2) is 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, 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: 29 May 2024

Jyoti Narang
Chairperson



ANNEXURE - A TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1 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/sites/default/files/PDF/Policies/CSR_Policy.pdf

2 Composition of CSR Committee and details of meetings attended by members during FY24:

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	Ms. Jyoti Narang*	Chairperson & Independent Director	2	2
2	Mr. Ramakrishnan Ramamurthy*	Independent Director	2	2
3	Mr. Vimal Kumar Jain	Member & Whole time Director	2	2
4	Mr. Joydeep Mukherjee	Member & Managing Director	2	2
5	Mr. Atul Khosla**	Member & Independent Director	NA	NA

* Mr. Ramakrishnan Ramamurthy ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024. Consequently Ms. Jyoti Narang has taken charge as Chairperson of the Committee with effect from 12 February 2024.

** Appointed as member of the Committee with effect from 06 November 2023.

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/Board_of_Directors/List_of_Directors_and_Members_of_Committees.pdf

CSR Policy:

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

CSR Projects:

https://www.mycemco.com/sites/default/files/PDF/CSR_Reports/HCIL_CSR_Report_FY_2023_2024.pdf



- 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 8.7 Million
- 6 Average net profit of the Company as per section 135(5) i.e., for last three financial years (FY2020-21, FY2021-22 and FY2022-23). INR 2873 Million
- 7 (a) Two percent of average net profit of the company as per section 135(5) INR 57.5 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 57.5 Million
- 8 (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (INR in Million)	Amount Unspent (INR in Million)				
	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
62.4	-	-	-	-	-

(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 activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project dura- tion	Amount allocated for the project (INR in Million).	Amount spent in the current Year (INR in Million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (INR in Million)	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)	
				State	District			Name	CSR registration number
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (INR in Million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
1.	Expenditure towards Outside Students studying in our schools coming from Nearby Villages.	II	Yes	Madhya Pradesh and Karnataka	Damoh and Tumkur	8.10	Yes	-	-
2.	Scholarship to students and distribution of educational kits	II	Yes	Madhya Pradesh, and Uttar Pradesh	Damoh and Jhansi	2.17	Yes	-	-
3.	Providing support for improving Government school's infrastructure such as Desks & Benches etc & developing infrastructure such as construction of rooms, boundary walls, toilets, digital classroom & water facility	II	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	17.15	Yes	-	-
4.	Transformation of Anganwadi Centres at nearby villages	II	Yes	Madhya Pradesh	Damoh	0.19	Yes	-	-
5.	Organizing Health checkup camps including deployment of mobile vans and provision of medicines.	I	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	1.31	Yes	-	-



6. Healthcare facilities improvement in Govt. Hospitals	I	Yes	Madhya Pradesh	Damoh	0.57	Yes	-	-
7. Operation of Sakshamta Vikas Kendra	II	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	1.55	Yes	-	-
8. Skill development trainings	II	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	1.24	No	CEDMAP PARIVAR Society	CSR00014988 CSR00036516
9. Support to villagers in cattle breed improvement & upgradation of Veterinary Hospital.	IV	Yes	Madhya Pradesh	Damoh	0.73	No	BAIF Development Research Foundation	CSR00000259
10. Developing infrastructure like construction of roads, cremation sheds, deeping of well & construction of ghat (landing stairs).	X	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	26.34	Yes	-	-
11. Providing Drinking Water facilities.	X	Yes	Madhya Pradesh, Uttar Pradesh and Karnataka	Damoh, Jhansi and Tumkur	2.89	Yes	-	-
12. Other small CSR Activities.	X	Yes	Madhya Pradesh and Uttar Pradesh	Damoh and Jhansi	0.16	Yes	-	-
Total					62.4			



(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 million)	62.4
(g) Excess amount for set off, if any:	

Sr. No.	Particulars	Amount (INR in Million)
(i)	Two percent of average net profit of the company as per section 135(5)	57.5
(ii)	Total amount spent for the Financial Year	62.4
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.9
(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)]	4.9*

*In addition to the excess spending of INR 4.9 million during FY24, the Company also has carried forward amount of excess spending of INR 5.2 million in respect of FY22 and INR 3.5 million in respect of FY23. Thus, the aggregate amount available for setoff during FY25 is INR 13.6 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 Million)	Amount spent in the reporting Financial Year (INR in Million)	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 Million)
				Name of the Fund	Amount (INR in Million)	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 Million)	Amount spent on the project in the reporting Financial Year (INR in Million)	Cumulative amount spent at the end of reporting Financial Year (INR in Million)	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: 29 May 2024

Joydeep Mukherjee
Managing Director
Place: Gurugram

Jyoti Narang
Chairperson – CSR Committee
Place: Gurugram



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 2024 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 2024 which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and 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 2024;
 - (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: 29 May 2024

Joydeep Mukherjee
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, 2024

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

To,

The Members 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 audit for the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2024, in accordance to 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time.
 - g. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the review period);
 - h. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the review period);
 - i. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the review period);
 - j. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (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) The Mines Act, 1952
 - i) Hazardous Waste (Management, Handling and Transboundary Movement) Rules–2008
 - j) 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 the

- i. Mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. Listing Agreements entered into by the Company with the Stock Exchanges.

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/Regulation.

During the period under review, the Company had declared a dividend of INR 7 per Equity Share of INR 10 each fully paid up (i.e., 70% of the face value) for the Financial Year 2022-23 at 64th AGM of the company amounting to INR 1586.3 million.

During the period under review, the company has shifted its registered office within same city, town or village with effect from 29th January, 2024.

Adequate notice was given to all the Directors or the members of the respective Committees to schedule the

Board and Committee Meetings, agenda and detailed notes on agenda were sent in compliance with the provision of the Act & SS-1, 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, majority decisions in the Board and Committee meetings were carried out unanimously as recorded in the minutes of the respective meetings while the dissenting members' views, if any are captured and recorded as part of the minutes.

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.

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: F002668F000478297
Peer Review Certificate: 1188/2021**

**Place: New Delhi
Date: 29 May 2024**

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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Nityanand Singh (Prop.)
FCS No.: 2668/ CP No.: 2388
UDIN: F002668F000478297**

Peer Review Certificate: 1188/2021

**Place: New Delhi
Date: 29 May 2024**



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 31st March 2024

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 FY24:	The ratio of the remuneration of Whole-time Director to the remuneration of median employee is 21.11: 1
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY24:	<p>The Non-Executive Directors of the Company including Independent Directors (IDs) are not paid any remuneration. IDs are paid only sitting fee for attending the meetings of the Board and its Committees. The details of sitting fee paid to IDs are mentioned in Corporate Governance Report.</p> <p>Increase in remuneration of Whole-time Director, Chief Financial Officer and Company Secretary w.e.f. 01 January 2023 on Cost- to-Company (CTC) basis is given below:</p> <p>Mr. Vimal Kumar Jain, Whole-time Director = 8%</p> <p>Mr. Anil Kumar Sharma, Chief Financial Officer = 8%</p> <p>Mr. Rajesh Relan, Sr. Vice President- Corporate Affairs & Company Secretary = 7%</p>
3	The percentage increase in the median remuneration of employees in FY24:	8.19% (Only Staff Appraisal till 31 st March 24)
4	The number of permanent employees on the rolls of Company as on 31 st March 2024:	1017 (Staff and Wage board)
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;	<p>Average increase in salaries of employees (other than managerial personnel) on CTC basis was 8.2%.</p> <p>Increase in managerial remuneration on CTC basis was 7.67%.</p>
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 2024:

Reduction in specific power consumption through the following initiatives:

- Optimisation of clinker and cement processes.
- Optimised power supply from waste heat recovery system.
- Installation of Alternative Fuels and Raw Materials (AFR) system and storage facility at Narsingarh, Damoh.
- Replacement of old luminaries, ACs, and Fans with energy-efficient LEDs, ACs, and BLDC Fans.
- Installation of Expert system and Px-Trend.
- Installation of VFD and VVFDs in equipment.
- Installation of De-tuned Capacitors.
- Modification and optimizing the AF feeding system, Thermal Substitution rate increased.

(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.

- Signed PPA for 8 MW Wind and 8 MW Solar aggregating to approx. 37 GWH (p.a.) wind solar hybrid green power under the Group Captive for our plants in MP.
- WHR power utilization was increased by 1.65% in FY 2023-24 (34.36%) vs FY 2022-23 (33.80%).

Increase the covered storage area for AFR by building an Alternate Fuel shed extension to increase the utilization of waste from municipalities/ agriculture and industries in kilns thus saving fossil fuels, increasing the Thermal Substitution rate by 3%, and thus reducing CO₂ emission.

(iii) Capital investment in AFR feeding & utilisation:

The Company has invested ~ INR 133 million till date towards building up of Alternate Fuel shed extension for AFR storage and handling at Narsingarh.

B. Technology Absorption

(i) Efforts made towards Technology Absorption:

- a. Use of alternative fuels by installation of AFR system and now extending the Alternate Fuel shed for the storage and handling in the plant due to which Thermal Substitution rate increased by 2%.
- b. Adaptation to best practices and processes of Heidelberg Materials Group under World of Knowledge, 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 Waste Heat Recovery 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 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 Heidelberg Materials Group under World of Knowledge 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)

	FY24	FY23
Foreign exchange used:		
- Imports	72.1	61.2
- Expenditure	386.3	334.2
Total	458.4	395.4
Foreign exchange earnings:	3.0	2.8



MANAGEMENT DISCUSSION AND ANALYSIS

Global & Indian Economy at a glance

Particulars	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
										Est.	Est.
A. World Output / Real GDP (Annual percent change)											
World	3.46	3.26	3.82	3.63	2.84	-2.69	6.47	3.46	3.21	3.18	3.23
- Advanced Economies	2.38	1.84	2.57	2.28	1.80	-3.94	5.72	2.62	1.63	1.74	1.77
- Emerging Market & Developing Economies	4.32	4.38	4.79	4.66	3.61	-1.77	7.02	4.06	4.32	4.16	4.21
India	8.00	8.26	6.80	6.45	3.87	-5.78	9.69	6.99	7.83	6.81	6.46
B. Inflation: Consumer Prices (Annual Percent change)											
World	2.73	2.73	3.25	3.65	3.51	3.24	4.71	8.73	6.78	5.94	4.51
- Advanced Economies	0.31	0.75	1.71	1.96	1.40	0.69	3.11	7.28	4.60	2.62	2.05
- Emerging Market & Developing Economies	4.74	4.35	4.48	4.96	5.12	5.17	5.90	9.80	8.34	8.29	6.19
India	4.91	4.53	3.59	3.41	4.77	6.17	5.51	6.65	5.38	4.56	4.17
C. Current Account Balances (Percent of GDP)											
- Advanced Economies	0.60	0.78	0.97	0.76	0.76	0.34	0.96	-0.33	0.47	0.69	0.68
- Emerging Market and Developing Economies	-0.29	-0.37	-0.09	-0.17	-0.02	0.43	0.94	1.53	0.64	0.28	0.22
India	-1.05	-0.63	-1.84	-2.12	-0.87	0.90	-1.22	-2.00	-1.21	-1.40	-1.60
D. World Trade Volume (Annual percent change)											
	2.96	2.24	5.51	4.03	1.26	-8.35	11.00	5.59	0.29	3.01	3.31
E. Commodity Prices (Annual percent change)											
- Oil	Base	100	22.54	35.97	-16.38	-45.50	63.56	62.68	-36.38	-4.61	-11.40
- Non-fuel (Primary Commodities)	Base	100	6.44	1.37	0.73	7.11	30.92	11.55	-8.96	0.09	-0.61

Source: World Economic Outlook (April 2024) published by International Monetary Fund (IMF)

A. Global Economy

The Year 2023 saw the world's commitment to defy the fallouts of the Russia – Ukraine war, Middle East crisis, supply – chain hiccups, stagflation, and hawkish monetary policy adopted by almost all major economies to control prices. The world economy sustained a growth of 3.2% due to three main factors – firstly the raising of interest rates by Federal Reserve and Central Banks of Europe that kept the inflow coming in, secondly the households withdrew their savings to mitigate the impact of higher borrowing costs, and thirdly a correction in real estate borrowing rates. The GDP growth rate of 3% is expected to continue with the same elasticity in 2024.

However, the 3.1% future GDP growth is the lowest in past decade barring the COVID year. There are some setbacks in the revival mainly slow paced of expansion, remnants of COVID 19, continuation of Russia – Ukraine war, the recent

Middle East crisis, and the trade sanctions on around two dozen countries. We saw in 2022-2023 the movement of investment from European developed economies to the US due to high interest rates. In 2024 the disinflation in major economies of the world, lowering of central bank's policy rates in advanced economies is again redistributing wealth from there to the emerging markets.

Growth distribution forecasts amongst the two main blocks is: Advanced Economies – 1.7%; Emerging Markets and Developing Economies – 4.2%. Forecasts for India remains strong for 2024 and 2025. The five largest emerging markets—Brazil, China, India, Indonesia, and Russia – have contributed about 0.9 percentage point to the decline in medium-term global growth prospects between 2008 and 2023. Inflation is still high in many parts of the world therefore revival of world economy is far-off given the hawkish monetary policies.



World Area	GDP Projections (%)		Inflation Projections (%)	
	2024 e	2025 e	2024 e	2025 e
Asia	4.5	4.3	2.4	2.7
Europe	1.6	2.0	8.5	6.0
North America	2.6	1.9	3.0	2.1
South America	1.4	2.7	24.7	10.1
Central America	3.9	3.8	3.0	3.3
Caribbean	9.7	6.9	6.8	5.6
Middle East and Central Asia	2.8	4.2	15.5	11.8
Sub – Saharan Africa	3.8	4.0	15.3	12.4

Source: World Economic Outlook; Apr 2024.

The greenhouse gas emissions reduction goals of limiting the global average temperature increases to 1.5–2.0°C above pre-industrial levels are still unmet. Emission reductions requires policy changes, fiscal incentives, and availability of alternate sources. Transition to clean energy is risk prone for small countries as it impacts their energy security.

B. Indian Economy

International forecasts for India's real GDP is 6.8% for 2024 and 6.5% for 2025. Consumer price inflation is expected to fall from 5.4% in 2023 to 4.6% and 4.2% in 2024 and 2025 respectively. The government has made infrastructure development a top priority, and it is expected to play a key role in achieving its goal of building a \$5 trillion economy by 2025. To achieve its \$5 trillion economic plan by 2025, the country is required to invest \$4.5 trillion in infrastructure development through 2030, according to the Department of Economic Affairs, GoI.

The forecast for India's infrastructure during the following ten years is promising riding on the alluring government initiatives and a backlog of large projects having a sizable amount of capital and financing outlay. India is a significant market for construction equipment producers and developers with an emphasis on sustainable constructions, employing greener materials and technology, as well as supplying sophisticated technology products.

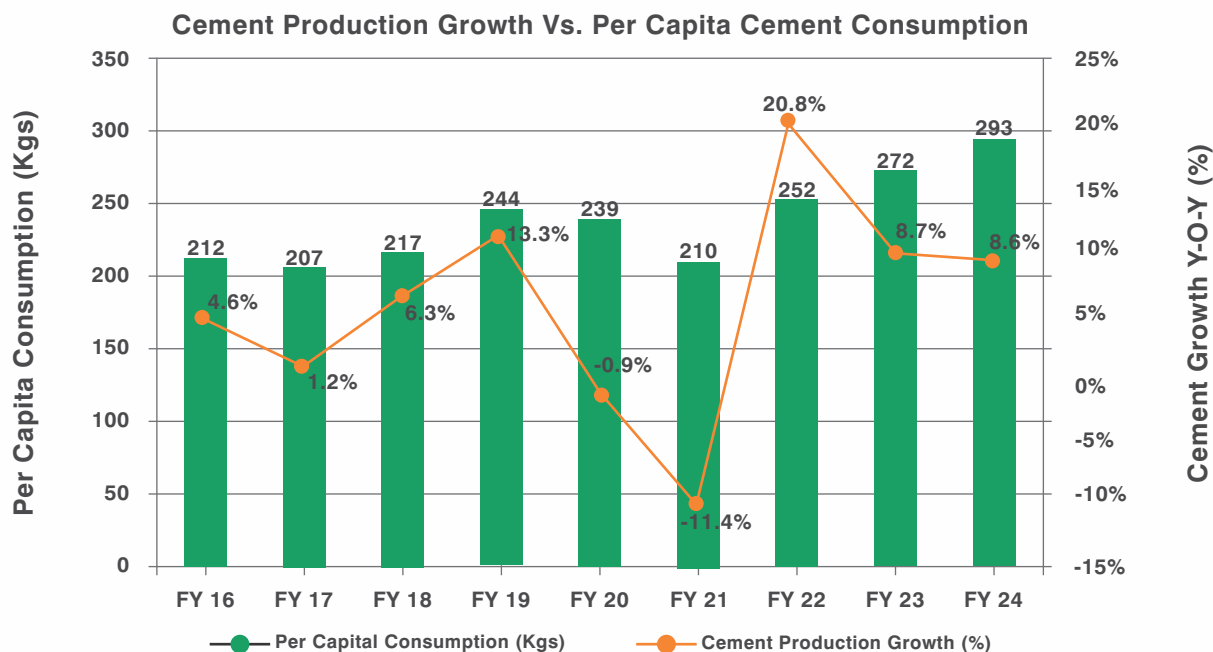
Several government-backed infrastructure projects have been announced by the Indian government over the past

few years. Some of these projects include the under construction: Bharatmala Pariyojana, Narmada Valley Development Project, Chenab River Railway Bridge, Delhi Metro Industrial Corridor, Mumbai Trans Harbour Link, Inland WaterWays Development Project, Navi Mumbai International Project and Zoji-la and Z-Morh Tunnel Project. The Housing for All schemes, building of airports, ports, river linking projects and the like.

C. Indian Cement Industry

C.1. Capacity and Demand

Installed cement capacity in India in FY 24 was around 595 Mn T and the demand / production was around 422 Mn T yielding a capacity utilization of 70%. The demand growth is in the region of 8.6% in FY24. A brief overview of per capita consumption of cement Vs. cement production rate shows that barring Covid year the per capita consumption has grown indicating healthy state of economy.



SOURCE: CMIE



C.2. Input Costs

Overall improvement of mining activities and availability of fuels globally, prices have corrected to 2 year low with global prices attractively placed. Global pet-coke prices also down by 25% that has helped local pet-coke to correct proportionately with crude prices down by 17%. We have managed with local pet-coke from time to time mitigating the risk of inventory and price fluctuations.

Correction in crude prices have contributed granules raw materials for manufacturing PP bags availability competitively thus lowering packaging cost. We have maintained lowest conversion cost in the Industry despite several challenges through rotation and by identifying new suppliers with modern technology.

Spares & Consumables, repair costs have gone up with lack of skilled manpower, higher input costs, lack of alternatives. We are mitigating this risk by identifying new suppliers, contractors, online bidding, developing alternatives for OEMs, inhouse works that is helping us to contain cost and timely arranging and handling of shutdowns. With SAP Ariba in place, we are trying to maximise catalogues with fixed prices and long-term contracts that has reduced inventory considerably and effective planning with reduction in spend.

C.3. Opportunities and Outlook

- **Housing & Real Estate:** Presently the housing shortage is around 30 Million units. This is expected to increase to 90 Mn units by mid-2030. Owing to increase in young population, higher education and nuclear families the demand for housing is expected to double in next 10 years.
- **Public Infrastructure:** Plan outlay for railways, ports and urban infrastructure fund for Tier 2 and 3 cities will bode well for cement demand.
 - Bharatmala (roads and highways) projects
 - Tunnels & Border Roads
 - Roads and Expressways
 - Indian Railways projects
 - Amrit Bharat Station Scheme (World Class Railway Stations)
 - Industrial corridors and industrial projects
 - Gati Shakti (Logistics projects)
 - Nuclear Power Plants
- **Industrial Development:** The Company foresees a healthy demand in the construction sector resulting from capital spending from businesses. It has done good work in debottlenecking and invested in capital for asset sweating.

C.4. Threats

The Russia – Ukraine war is continuing since 2022 with military aid from US. Another front Hamas – Israel started in October 2023. The ongoing wars are not only threat for global peace but also to the global growth. Flow of foreign investments is based on the fiscal benefits offered by a country. The global warming has caused droughts and flooding in many parts of the world impacting resources, food chain and lives. Already the once water surplus cities in India are facing shortages. Labour shortages and subdued demand for housing in urban areas are concerning.

D. Company Review - Operational and Financial Performance

A snapshot of the Company's financial performance for FY24 compared with FY23 is as under:

Particulars	(INR in million)	
	FY24	FY23
Revenue (Net of GST)	23,657.8	22,381.0
Power & Fuel Cost	6,697.2	7,726.3
Freight and forwarding expenses	3,500.2	3,116.1
EBITDA (including other income)	3,712.4	2,941.4
EBIT	2,615.7	1,818.3
Finance Cost	347.6	460.6
Net Profit after Tax	1,677.5	991.7
Earnings Per Share (EPS) - INR	7.4	4.4
Book Value Per Share - INR	64.9	64.5

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

Particulars	FY24	FY23	Change
Debtors Turnover (Days)	5.21	4.59	13.5%
Inventory Turnover (Days)	8.03	8.17	-1.7%
Interest Coverage Ratio	26.06	17.15	51.9%
Current Ratio	1.26	1.31	-3.7%
Debt Equity Ratio	0.09	0.12	-28.4%
Operating Profit Margin (%)	13.43	11.26	2.2%
Net Profit Margin (%)	7.11	4.49	2.6%
Return on Net Worth (%)	11.45	6.55	4.9%

The primary reason for change in the above-mentioned ratios is increase in volume and margins.



Digitization initiatives:

Company undertook the following process improvements in FY24:

Project	Benefits
CRM (SIAS)	<ul style="list-style-type: none"> - SIAS (Sales is a science) our newly launched unified CRM serves as an integrated ecosystem facilitating seamless data flow across various applications, providing a centralized hub for all stakeholders. - It offers a one-stop solution aimed at enhancing usability and efficiency. The platform equips the sales force and Customer service teams with invaluable tools, enabling them to visualize data and make well-informed decisions on the go. - Additionally, CRM aids in strategic planning by unlocking the full potential of territories, leading to increased productivity and sales revenue, while simultaneously reducing transportation time and effort. - Time optimization is another key feature, as CRM enables representatives to efficiently schedule visits to maximize customer engagement within minimal timeframes. - Moreover, the platform empowers managers by granting them easy access to crucial data, thereby facilitating better decision-making processes. Overall, CRM revolutionizes the stakeholder management by providing comprehensive support and various resources to business.
Influencer Loyalty Program (Sambh+)	<ul style="list-style-type: none"> - The Sambh+ App is Influencer engagement platform designed to recognize and reward the engineers & contractors who help our home builders in building their dream house. - This helps to establish strong and long-lasting relationships with influencers in the construction and building materials industry who have the power to influence decision-makers, whether they are individual house builders, builders, or any other relevant individuals. - This helps to create brand advocacy, increase engagement with end-users, and improve brand recall and retention.
Pyro Expert System-Narsingarh	- Ensuring automatic optimization of process.
Mills Expert System-Narsingarh & Jhansi	<ul style="list-style-type: none"> - Designed to perform a specific task with expert efficiency and minimum human intervention. - Enhance process and product quality with increased output and productivity.
DCS Upgrades-Narsingarh	<ul style="list-style-type: none"> - Enhances production efficiency. - Ensures quality of plant assets.
WHRS, Imlai	- Lowers the risk of obsolescence and unavailability of spares.

E. Product Performance and Customer Relations

Our unwavering dedication to customer service and relentless pursuit of product innovation have been pivotal in our journey towards sustained growth and market leadership in central India.

We understand that our success is intricately linked with the success of our customers. Thus, we have invested significantly in enhancing our customer service infrastructure, ensuring seamless communication channels, timely resolution of queries, and personalized assistance. Through proactive engagement and attentive listening, we continuously strive to exceed customer expectations, fostering long-term relationships built on trust and reliability.

Moreover, innovation is the cornerstone of our operations. Recognizing the dynamic nature of the construction sector, we have consistently invested in research and development to pioneer groundbreaking solutions.

In FY24 your company flagged off Sales and Marketing Excellence Program named RISE (Return Improvement Through Sales Excellence) with the aim of enhancing our competitiveness in branding, customer service & channel acquisition.

Following are some key initiatives taken under RISE:

- Launch of Unified CRM to improve effectiveness of Sales Process
- Brand Repositioning & Launch for New Packing Architecture
- Introduction of Water-repellant Cement under a new brand
- Introduction of New Influencer Loyalty Program
- Expanding our footprint to some new markets

F. Business Risks and Concerns

The Company's foreseeable risks are adequately covered through strategic planning and insurance.

Major business risks and their mitigation strategies are as follows:

- Economic Risk:** The Russia-Ukraine and Hamas-Israel wars can become flashpoints. Inflation in Europe is expected to remain high compelling central banks to follow hawkish monetary policy curtailing investments. The Central Government elections and subsequent formation of government is expected to continue until 2nd Quarter of FY25. The model code of conduct enforced by the Election Commission of India with effect from 16th March 2024 slows the government machinery until the date of declaration of final election results. Consequently, we foresee 2 quarters of slow pace of growth in FY25.

Mitigation Measure: We will focus on cost reductions, improvements in efficiency parameters, new projects and new geographies.

- Supply Risk:** Despite continuation of war in the Middle East and Europe the major impact on supply chain is not envisaged,



- External Risks: Ex - Demand risk, Supply risk, Environmental risk and Business risk.
- Internal Risks: Ex - Manufacturing Risks, Business Risks, Planning and Control Risks and Mitigation and Contingency.

Availability of Alternative Fuels also poses challenge to achieve targeted Thermal Substitution Rate.

Mitigation Measure: Even though diesel prices have come down, inbound logistic costs are quite high due to increase in maintenance cost, tolls, limited availability of trucks, high interests but we could mitigate the risk by adding new fleet through new transporters with increased capacities.

Spares & Consumables, repair costs have gone up with lack of skilled manpower, higher input costs, lack of alternatives. Key blending cement ingredients – slag and fly-ash – are in short supply.

We have managed with local pet-coke from time to time mitigating the risk of inventory and price fluctuations. With the demand for local coal gone up, opening of new mines, the quality of the coal was not consistent and deteriorating. In order to mitigate this risk, we have explored various washeries with long term contracts this year that has improved quality yield and reduction in cost by 29% compared to last year.

The Company has mitigated risk by identifying new Biomass suppliers' from distant areas & also identified new Biomass streams, like Soya Husk, Mix & Mustard Husk within the size requirement of ours (<50 mm) & that helped to increase Biomass consumption. Technical modifications in the flap damper/ shut off gate (high speed gear, etc.) assembly has supported right type of AF material as well smooth consumption. Shortage of Railway rakes due to majority of rakes movement for coal transportation to Power Houses has affected High Grade Limestone (Sweetener) transportation that was mitigated by road transportation of sweetener from Katni Mines to Narsingarh plant.

For Spares and Consumables risks we are mitigating by identifying new suppliers, contractors, online bidding, developing alternatives for OEMs, inhouse works that is helping us to contain cost and timely arranging and handling of shutdowns. With SAP Ariba in place, we are trying to maximize catalogues with fixed prices and long term contracts that has reduced inventory considerably and effective planning with reduction in spend.

I. **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 & lead optimization and continuing measures to control logistics costs remains a focus area for the Company.

II. **Competition Risk:** Due to expansion by competitors our core market is facing influx of volumes challenging our market share.

Mitigation Measure:

- Introduction of new brands
- 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 various construction phases.
- Addition of new channel partners.

G. Internal Control Systems

The Company has established automated and digitalized processes for internal control and compliance system. These systems are discussed regularly in the meetings of Audit Committee and the risk based annual Internal Audit Plan. The Internal Audit Plan evaluates internal control systems, compliance, robustness of internal procedures, sound business practices, safeguarding Company's assets, compliance with laws and regulations, accuracy in financial reporting and completeness in records.

Process owners undertake corrective actions in the time frame which is followed up. Material observations 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

HR Digitization initiatives: HR Digitization initiatives: Workday, the group initiative was launched in India in 2023-24 with master data, Talent management, Performance review process, succession planning and goal setting introduced across the Organization. This has provided a transparent and efficient platform for employee data with smooth workflow and data management.

Employee engagement We conducted the employee engagement programs like the family day, Sports activities, cultural programs, knowledge sharing across plants and HO as well as several sales offices. We also conducted a follow up employee engagement survey through Cerebrus, an external agency, the last one being in 2019. The scores were flat against previous survey findings. Pursuant to the same, we shared the results with the leadership team for action planning as a first step. We continued to review and amend the policies like the leave policy, making it more flexible, recruitment policy, with special focus on Internal Job Postings and create internal opportunities for employees.

Senior Management and Middle Management Succession Planning: With consolidation happening all across Cement sector, we continued to witness employee turnover impacting the support areas as well. While we continue to attract talent from the market in some critical areas, we also identified key talent against critical positions in house and moved some senior talent within the organization against vacancies. The momentum of succession planning continued at Top and senior levels as well at N-2 level.



Learning and Development Multiple trainings were conducted clocking over 20 thousand training hours and 4000 participants approximately, including blue collar employees with some employees attending multiple trainings. 19 external trainings were conducted, the rest being in house programs. Focus on safety and sustainability was part of the training programs, in keeping with the group's priority. Compliances including POSH trainings were conducted all across the Organization, with special impetus on certification through group e-learning program, supplemented by classroom trainings.

Talent Acquisition and management: Over 170 new employees in white collar category and 12 in the blue-collar category joined the Company. Many initiatives of reorganizing the structures took place including that of HR,

Sales and customer services in order to stay closer to the employees and the market. New area offices and regional offices were carved out to focus on specific markets and increase customer reach.

Industrial Relations Wage settlements were successfully conducted in all the plants of HCIL and we continue to have a peaceful and conducive industrial environment in the plants. Skill matrix for the blue collar employees was conducted in Damoh plant as a pilot program, to be implemented in the other plants as well. This will help us engage the, evaluate and develop the blue collar employees for shop floor improvements.

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.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L26942HR1958FLC042301
2.	Name of the Company	HeidelbergCement India Limited ('HCIL')
3.	Year of Incorporation	13 May 1958
4.	Registered office address	2 nd Floor, Block – B, DLF Cyber Greens, DLF Cyber City, Phase - III , Gurugram – 122002, Haryana
5.	Corporate office address	2 nd Floor, Block – B, DLF Cyber Greens, DLF Cyber City, Phase - III , Gurugram – 122002, Haryana
6.	E-mail id	investors.mcl@mycem.in
7.	Telephone	0124-4503700
8.	Website	www.mycemco.com
9.	Financial year for which reporting is being done	01 April 2023 to 31 March 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange (NSE) and BSE Limited (BSE)
11.	Paid-up capital	INR 2,266.2 million
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Vimal Kumar Jain, Whole-time Director Email: vimal.jain@heidelbergcement.in DIN: 09561918
13.	Reporting Boundary-Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together.	The disclosures under this report are made on a standalone basis.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/services

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

S. No	Description of Main Activity	Description of Business Activity	% of the entity Turnover
1	Manufacturing	Manufacturing and Selling of Cement	100

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacture of Clinker and Cement	23941	100

III. Operations

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

Location	Number of plants	Number of offices	Total
National	• 1 Integrated Cement Unit • 2 Grinding Units	• 1 Registered Office • 4 Regional Marketing Offices	8
International	Nil	Nil	-



19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	6
International (No. of countries)	Nil

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

Nil

c. A brief on types of customers

The Company serves a diverse set of customers as mentioned below:

- **Dealers:** The Company appoints dealers in the markets and sells cement through them. Dealers further sell cement to retailers and end consumers. Retailers thereafter sell cement and service the demand of retail customers. Dealers place orders on the warehouse / plant and supplies are made accordingly. The Company gives discounts / incentives to the dealers both monetary and in kind which are linked to their targets.
- **Retailers:** The Company appoints retailers in the market to whom dealers sell cement. The retailers operate counters (sale outlet) and they service the demand of retail customers in vicinity of their location. Majorly, dealers while placing orders on Company specify the Retailer firm to whom the cement is to be delivered (Ship-to-party). The Company also offers discount schemes to retailers to promote its products and create brand pull from customers.
- **As part of its institutional sales (non-trade) strategy,** Company directly sells to customers depending on their order, size and location. These customers can be Real Estate developers, Infrastructure companies or government departments who consume cement for civil construction activities. Such orders could either be procured directly by company officials or initiated by commission agents. In either case the billing is done by the company directly to the customers.
- **In order to support its sales & marketing activities,** the Company deploys a team of sales personnel for generating business from the dealers and direct customers and gather market information. The Company also deploys customer service executives to provide technical guidance to end users. The Company uses various modes of advertising for sales promotion and brand building.

IV. Employees

20. Details as on March 31, 2024

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	718	702	98%	16	2%
2	Other than Permanent (E)	05	04	80%	01	20%
3	Total employees (D+E)	723	706	98%	17	2%
WORKERS						
4	Permanent (F)	294	293	100%	01	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total workers (F+G)	294	293	100%	01	0



b. Differently abled employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	01	01	100%	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	01	01	100%	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	6	2	33.33
Key Management Personnel	4	0	0

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.1	0.4	13.6	17.7	11.76	17.59	11.1	26.3	11.5
Permanent Workers	0.3	0.0	0.3	1.13	0.0	1.13	0.99	0.0	0.99

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

S. No.	Name of Holding / Subsidiary / Associate Companies / Joint Venture (A)	Indicate whether Holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of listed entity?
1	Heidelberg Materials South Asia B.V. (Holding Company of HCIL)	Holding	69.39	No

VI. CSR Details

24. I Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii. Turnover (in Rs.): 23,657.8 million
- iii. Net worth (in Rs.): 14,698.3 million



VII. Transparency and Disclosures Compliances

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

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No)	FY 2023-24		Remarks	FY 2022-23		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
Communities	Yes	-	-		-	-	
Investors (other than shareholders)	Yes	-	-		-	-	
Shareholders	Yes	3	-		5	-	
Employees and workers	Yes	19	-		7	-	
Customers	Yes	43	1	Complaint related to slow setting, low strength, cracks etc.	-	-	
Value Chain Partners	Yes	1	-		-	-	
Other (please specify)	Yes	-	-	-	-	-	

*The Management has implemented a robust Grievance Redressal Policy, referred to as the Vigil Mechanism/Whistle Blower Policy. This framework includes provisions for addressing various types of grievances. The policy outlines a well-defined process through which complaints can be submitted, following a predetermined methodology to ensure a systematic and fair approach to resolution. The Company has also established Prevention of Sexual Harassment Committee for the purpose of reporting incidents of sexual harassment. Further, Heidelberg Materials group has also established a compliance hotline known as "SpeakUp" which can be used by any employee/ vendor of any of the subsidiaries of Heidelberg Materials group to anonymously report compliance incidents. In line with the group policy, HCIL has also extended this facility to its employees/ vendors for reporting compliance incidents. The Management encourages employees to give their suggestions for improvement in work culture which fosters harmonious relations.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Emissions management	Risk	<p>Emissions management is a material risk for any manufacturing enterprise due to its potential impacts on regulatory compliance, reputation, financial performance, and operational continuity. Inadequate management can lead to regulatory penalties, reputational damage, increased costs, and disruptions, making it a critical concern in an environmentally conscious and regulated landscape.</p> <p>Limestone constitutes a primary raw material in cement production and necessitates fossil fuel for its combustion during the manufacturing process. As a result of this process, CO₂ emissions are generated through both the calcination of limestone and the fuel combustion. Such emissions potentially contribute to global warming, thereby exerting the potential to influence business continuity and even precipitate disruptions.</p>	The Company is meticulously planning and implementing various measures, including transitioning to renewable energy sources, increasing power generation from waste heat recovery generation system, and investing in alternative fuels handling & storage facility to increase Thermal Substitution Rate (TSR). The above measures helps in reducing CO ₂ emission per tonne of cement produce by the Company.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Green Power	Opportunity	The Company has recognized opportunities for reduction in carbon footprint and operational costs. Switching over from conventional power from thermal power plant to green power also helps to comply with Renewable Power Purchase Obligation (RPPO) mandated by the State Governments.	Not applicable	Positive
3	Occupational health & safety	Opportunity	Prioritizing occupational health and safety measures can protect employees, reduce accidents, improve productivity, and enhance the company's reputation as a responsible employer. It also helps in attracting and retaining skilled manpower.	Not applicable	Positive
		Risk	Non-compliance with health and safety regulations can have severe consequences for a company. Furthermore, workplace incidents and illnesses can affect productivity, inflate expenses, and expose the company to legal liabilities. Moreover, such incidents can adversely affect employee morale, impact the company's culture, and make it challenging to retain skilled staff and attract new talent. The Company may also face reputational risk.	The Company is committed to conduct its operations with a "Zero Harm" approach, prioritizing the well-being of all stakeholders and maintaining a safe working environment. This commitment involves stringent safety measures, regular maintenance, and monitoring to ensure safety of workmen. The Company enforces essential "Safety Cardinal Rules," obligating all workers to adhere to safety protocols, including proper use of personal protective equipment and ensuring authorized entry to confined spaces.	Negative
4	Community development	Opportunity	Investing in community development programmes, such as rural infrastructure development, healthcare facilities and educational programs, benefits the local community and also creates a positive impact on the Company's brand image. As a responsible corporate citizen, the Company strives to improve the standard of living of the beneficiaries. We are committed to support social and economic development of our neighbouring communities.	Not applicable	Positive



SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

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

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

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

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES										
1.	<p>a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.</p> <p>b. Has the policy been approved by the Board?</p> <p>c. Web link of the policies, if available</p>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Code of Conduct (P1) is available at https://www.mycemco.com/sites/default/files/PDF/Policies/Code_of_Conduct.pdf The CSR Policy (P8) is available at https://www.mycemco.com/sites/default/files/PDF/Policies/CSR_Policy.pdf The other Policies are available on internal portal, which can be easily accessed by employees of the Company.								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes The Company recognizes the importance of maintaining ethical and sustainable practices throughout value chain, which includes suppliers, dealers, retailers and other associates involved in supporting the production and sale of its cement.								
4.	Name the national and international codes/certifications/ labels/ standards	The Company benchmarks its practices and processes against national and international standards laid down by the organisations such as - ISO 9000; ISO 14000; OHSAS 18000; ISO 45000; ISO 50000; SA 26000; UNGC Guidelines; GRI Standards; BIS Standards; ILO Principles; GCCA; IGBC GreenPro.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	In line with the practices of Heidelberg Materials Group, the Company has also established its Sustainability Commitments 2030 as the foundation of its sustainability strategy, initially introduced in 2017. These commitments have been aligned with the United Nations Sustainable Development Goals (SDGs) ratified in 2015 by the UN General Assembly and adopted by all 193 member states. The SDGs aim to eradicate extreme poverty, address inequalities and protect the planet, encompassing 17 goals to be achieved by 2030.								



		<p>By aligning with the SDGs, HCIL recognizes its role in contributing to the country's efforts to address significant social, economic, and environmental challenges. The company's sustainability targets are harmonized with the group-wide strategies and outlined in its Sustainable Development (SD) Plan 2030, which sets the direction for the next decade. Through this plan, The Company aims to integrate sustainability practices and make a positive impact on society and the environment.</p> <p>As a responsible corporate citizen, the Company is committed to fulfil its share of the global responsibility to contain global warming and at the same time continue to reduce the impact on air, land and water. The Company has set a target to achieve 2°C lower Ambient Temperature in all plants compared to the temperature prevailing a kilometre away. Against the target of 2° C reduction, the Company has achieved a target of 1.2° C reduction. The Company also aims to reduce Co₂ to less than 500 kg per tonne of cement.</p> <p>We continuously monitor the achievement of our sustainability commitments. We are convinced that sustainability is a common goal in which everyone should participate and contribute.</p> <p>For commitments, goals and targets relating to Environment, Social and Sustainability, please refer to the Sustainability section of the Company's website. The weblink for which is https://www.mycemco.com/sustainability-development-goals and https://www.mycemco.com/enviroment</p>
6.	<p>Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.</p>	<p>HCIL has established targets and goals to achieve a more sustainable business in line with the Sustainability Commitments 2030. These targets are reviewed on a regular basis.</p> <p>Please refer to the Sustainability section of the Company at Company's website. The weblink for which is https://www.mycemco.com/enviroment</p>

GOVERNANCE, LEADERSHIP AND OVERSIGHT

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

Being a responsible cement manufacturing Company, we at HCIL are committed for the BRSR and ESG principles, inclusive growth, UN sustainable Development Goals and other commitments of the nation. We are committed to continuously strive for improving our ESG performance by not only mitigating social, environmental negative impacts but by creating positive externalities through our business operations.

Our Business is committed to sustainability, innovation, and social responsibility. Our resolute mission is to minimise our ecological footprint and make a positive impact on the environment. We are reducing our carbon footprint and fostering a low-carbon future. Beyond environmental care, we invest in community well-being and social inclusion, empowering them to thrive.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy

Name: Mr. Joydeep Mukherjee

Designation: Managing Director

DIN: 06648469

9. Does the entity have a specified committee of the board/ director responsible for decision making on sustainability related issues? If yes, provide details

Name: Mr. Vimal Kumar Jain

Designation: Whole-time Director

The Whole-time Director is responsible person for taking decision on Sustainability related issues



10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency: Annually / Half yearly / Quarterly / Any other - please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	The Business Responsibility and Sustainability Policies are reviewed periodically on a need basis by the Senior Management of the Company. During the assessment, the efficacy of the policies is reviewed, and necessary changes are implemented wherever necessary.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is compliant with applicable rules and regulations on an on-going basis.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No. The respective functional heads regularly internally evaluate the functioning of the policies based on the inputs received from concerned stakeholders.								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business									NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									NA
The entity does not have the financial or/human and technical resources available for the task									NA
It is planned to be done in the next financial year									NA
Any other reason (please specify)									NA

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1 - BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	02	Updates on Sustainability aspects, CSR initiatives undertaken, Whistle Blower Mechanism, Code of Conduct,	88%
Key Managerial Personnel (KMP)	09	Compliance Basics, Safety, Competencies, Prevention of Sexual Harassment at Workplace, Cyber Security, Anti Corruption, Competition etc.	70%
Employees other than BoD and KMPs	48	Compliance Basics, Code of Conduct, Safety, Competencies, Sustainability, Whistle Blower Policy, Prevention of Sexual Harassment at Workplace, Cyber Security, Anti Corruption, Competition etc.	92%
Workers	54	Skill Upgradation, Safety trainings, Emergency, Hazards, Waste Management, First Aid, Core Values and others	84%



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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?
Penalty/ Fine	-	NA	NA	NA	NA
Settlement	-	NA	NA	NA	NA
Compounding fee	-	NA	NA	NA	NA
Non-monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred?
Imprisonment	-	NA		NA	NA
Punishment	-	NA		NA	NA

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

NA

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

Heidelberg Materials Group has formulated Anti-Corruption Guidelines and the Company has adopted the same. One of the goals of the Heidelberg Materials Group’s compliance programme is to prevent corrupt behavior by Group companies and employees. Sections 2.3-2.5 of the Code of Business Conduct (“Anticorruption”, “Gifts, hospitality and benefits”, “Conflicts of interest”) set forth general anticorruption principles. This Guideline is part of the Group compliance programme and gives guidance to employees by providing additional details. The Guidelines apply to all companies of Heidelberg Materials Group. This Guideline not only prohibits corrupt practices punishable under relevant penal laws but also addresses conflict of interest issues and prohibits unethical behavior, even if such conduct is not a punishable criminal offence. This approach is based on the principle that it is important to avoid even the suggestion that a business or governmental decision might have been influenced by the acceptance or granting of an advantage, be it personal or for any third party. The Company has also implemented a Code of Conduct that requires the employees to act with high standards of personal and professional ethics, integrity and ensure strict compliance with the applicable laws. You can refer to the Code of Conduct-https://www.mycemco.com/sites/default/files/PDF/Policies/Code_of_Conduct.pdf

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

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



6. Details of complaints about conflict of interest.

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

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

NA

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

No. of days of accounts payables	FY 2023-24	FY 2022-23
		39.7

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	Not Applicable	Not Applicable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not Applicable	Not Applicable
Concentration of sales	a. Sales to dealers / distributors as % of total sales	72.3%	77.2%
	b. Number of dealers / distributors to whom sales are made	2,676	2,705
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	7.5%	6.5%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.8%	2.7%
	b. Sales (Sales to related parties / Total Sales)	0.42%	0.43%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-



PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impact
R&D	Nil	Nil	<ul style="list-style-type: none"> The Company has made capex investments in alternate fuels project at Narsingarh clinker plant. The AFR project has increased consumption of alternate fuels in kilns as well as reduction in GHG emission.
Capex	22.3%	25.7%	

- 2 a. **Does the entity have procedures in place for sustainable sourcing?: Yes**

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 22 km long Overland Belt Conveyor (OLBC). Despite being capital intensive, OLBC has proven advantage over conventional road transportation when it comes to reducing carbon footprint and at the same time it reduces logistics cost. In order to optimize 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 and fuel-efficient transportation mix, most of the inward transported bulk material are by rail.

The Company has long term agreements with thermal power plants to ensure uninterrupted supply of fly ash. The Company ensures maximum consumption of fly ash including wet fly ash, to the extent possible within the permissible norms laid down by Bureau of Indian Standards.

- b. **If yes, what percentage of inputs were sourced sustainably?**

For all the major purchases such as coal, petcoke, gypsum, fly ash, sweetener, and equipment spares and services are sourced sustainably. The Company utilizes the SAP-Ariba platform as the guided buying, sourcing, and contracting tool, enabling stakeholders to conduct their sourcing activities digitally. Additionally, the Company has implemented SAP ERP to ensure a robust procure-to-pay process for all purchases.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

- (a) **Plastics (including packaging):**

The Company produces cement, which is packed in cement bags. These bags are frequently reused to store other construction material.

All the plastic bag procurement quantity are covered under EPR obligation. We are complying with EPR liability.

- (b) **E-waste:**

Our manufacturing process does not produce any e-waste, however, the e-waste produced in the office operations is sold to the registered recyclers.

- (c) **Hazardous waste:**

The Hazardous waste generated in the cement production process, is sold to the registered recyclers or disposers. The incinerable fractions of the hazardous waste are disposed off within the plant kilns itself as per the permissions from State Pollution Control Board.

- (d) **Other waste:** We are utilising hazardous waste as an alternative fuel and waste/by-products of other industries viz., fly ash, slag, pet coke and red mud as raw materials in our cement manufacturing process.

Other non-hazardous waste such as paper, wood, metal scrap etc. sold out to vendors on bidding basis.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. Extended Producer Responsibility (EPR) is applicable to the company and followed as per the plan submitted to the Pollution Control Board. Cement Bags get recycled during use phase multiple time to store various items. In addition, the company disposes off much higher quantities of plastic waste (from other industries and municipalities) as compared to the PP bags used by it in cement packaging.



PRINCIPLE 3 - BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

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

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	702	702	100%	702	100%	NA	-	0	-	0	-
Female	16	16	100%	16	100%	16	100%	NA	-	0	-
Total	718	718	100%	718	100%	16	100%	0	-	0	-
OTHER THAN PERMANENT EMPLOYEES											
Male	04	NA	NA	NA	NA	NA	NA	NA	-	NA	-
Female	01	NA	NA	NA	NA	NA	NA	NA	-	NA	-
Total	05	NA	NA	NA	NA	NA	NA	NA	-	NA	-

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

Category	Total (A)	% Of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT WORKERS											
Male	293	293	100%	293	100%	NA	-	0	-	NA	-
Female	01	01	100%	01	100%	01	100%	NA	NA	NA	-
Total	294	294	100%	294	100%	01	100%	0	-	NA	-
OTHER THAN PERMANENT WORKERS											
Male	0	NA	NA	NA	NA	NA	NA	NA	-	NA	-
Female	0	NA	NA	NA	NA	NA	NA	NA	-	NA	-
Total	0	NA	NA	NA	NA	NA	NA	NA	-	-	-

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.18%	0.19%

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered (as a % of total employee)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	NA	NA	NA	NA	NA	NA

3 Accessibility of workplaces

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

Yes. The facilities and premises, both operational and administrative, have been designed to ensure accessibility for employees and workers with any disability.



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

Yes, to the extent possible, the Company strives to provide equal opportunity to persons with disability. However, there is no specific policy in this regard.

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

	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	01	100	0	0
Total	01	100	0	0

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

	If Yes, then give details of the mechanism in brief
Permanent Employees	The Company has a whistle-blower policy as well as a compliance hotline accessible through Internet and Phone. In addition, there is a committee entrusted with the task of resolution of POSH complaints.
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

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

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	718	0	0	667	0	0
- Male	702	0	0	652	0	0
- Female	16	0	0	15	0	0
Total Permanent Workers	294	294	100	329	329	100
- Male	293	293	100	328	328	100
- Female	1	1	100	1	1	100

8. Details of training given to employees and workers

Category	FY 2023-24						FY 2022-23			
	Total (A)	On health & safety / wellness measures		On skill upgradation		Total (D)	On health & safety / wellness measures		On skill upgradation	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. F	% (F/D)		
EMPLOYEES										
Male	702	389	55%	476	68%	652	337	52%	498	76%
Female	16	14	88%	12	75%	15	12	80%	6	40%
Total	718	403	56%	488	68%	667	349	52%	504	76%
WORKERS										
Male	293	148	51%	181	62%	328	169	52%	142	43%
Female	01	0	0	0	0	1	0	0	0	0
Total	294	148	50%	181	62%	329	169	51%	142	43%



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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	702	568	81%	652	563	86%
Female	16	16	100%	15	15	100%
Total	718	584	81%	667	578	87%
WORKERS						
Male	293	293	100%	328	328	100%
Female	01	01	100%	1	1	100%
Total	294	294	100%	329	329	100%

10 Health and Safety Management system

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

Yes, the Company has implemented an occupational health and safety management system. The system includes safety induction training for new employees, a safety film presentation during induction, height phobia tests for workers required to work at elevated positions, training on behaviour-based safety and specific safety requirements, and regular updates relating to operating procedures. The objectives of these measures is to ensure plant safety, promote a safe working environment, and reduce the risk of accidents and injuries. Furthermore, all manufacturing plants are certified under ISO 45001:2018 Occupational Health and Safety Management System certified by TUV SUD South Asia Private Limited.

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

For the maintenance of a secure cement plant environment, implementation of a comprehensive safety management system is pivotal. This system encompasses risk evaluation and control protocols for all processing activities, a meticulously structured permit system, the use of secure machinery, well-equipped firefighting systems, the upkeep of a clean workspace, regular safety audits, and a skilled and proficient workforce. Additionally, the Company categorizes hazards in three forms: low hazard, medium hazard, and major hazard.

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

Yes, the Company has processes in place for workers to report work-related hazards and mitigate such risks. In the event of a major hazard, the Company has a protocol where operations are halted immediately, and corrective actions are taken. The initial response involves isolating the hazard to prevent any individuals from approaching it. The area is cordoned off, and the operational team is promptly notified to assess the situation and implement remedial and preventive measures within the specified timeframe. This ensures the safety of all workers and thereby mitigates the risks associated with work-related hazards.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services?

Yes, the plants have medical center, and health services providers for non-occupational needs.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0



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

The Company maintains an unwavering commitment to the safety of its workforce, encouraging employees to diligently adhere to health and safety programs and protocols. Each plant is equipped with a designated plant safety officer. While rare, process-related hazards may arise during operational periods, often resulting from inadvertent unsafe actions.

All manufacturing plants hold ISO 45001:2018 Occupational Health and Safety Management System certification, endorsed by TUV SUD South Asia Private Limited. External safety audits, overseen by TUV auditors, are conducted annually, supplemented by semi-annual internal audits. Furthermore, the Head of Safety conducts plant safety inspections across all facilities on quarterly basis.

For any maintenance work, authorized employees are required to obtain a 'Permit to Work'. It's imperative that all equipment guards and protective measures are in place before closing the permit, as overlooking this step could lead to potential hazards.

To maintain the safety momentum and awareness throughout the year, the Company has adopted the following health and safety initiatives:

- A monthly safety gate meeting
- A monthly safety theme and communication
- Once-a-four-month plant safety star award programme
- Strict adherence to safety cardinal rules
- Safety zone system, hazard identification and risk assessment control measures
- Work permits and procedures
- Safety inspections and audits
- Fire prevention and protection
- Accident and near-miss incident reporting
- Investigation to determine the root cause & Implementation of safety measures

If a near miss or other event occurs at any plant, the incident learnings are shared with all plants so that necessary corrective actions can be taken if a similar risky condition exists in any other plant. If any of the plant's safety cardinal rules are violated, a warning letter is given to the responsible engineer/manager to modify their behaviour and prevent the recurrence of such events in future.

There are "Safety Cardinal Rules" that must be followed by workers and contractors. To ensure the safety of employees, contractors and third parties, it is compulsory to wear the following Personal Protective Equipment (PPE) at all plants and comply with the following Cardinal Rules:

- All personal protective equipment (PPE) required for a specific task must be used correctly.
- Before performing any task, all equipment's are separated from intrinsic energy sources and inspected to verify that it cannot start or move.
- Safeguards must be put in place before the equipment is started or resumed.
- Competent people with work permit signed by the responsible superior could enter confined places.
- All workplace issues are reported and examined to determine the root cause and implement corrective actions and lessons learnt.
- All drivers must follow driving norms in strict compliance with local laws and company regulations.

Further Health & Safety requirements are laid down in the Company's Group guidelines and local documents are available at the plant which are reviewed and revised. Non-compliance with these rules is viewed seriously in all plants.

The Company conducts its business in a way that cause no harm to the people with whom they work with, and endeavours to establish a healthy and safe working. With all these in place, senior leadership engagement and involvement ensures a safe and healthy workplace.

13. Number of complaints on working conditions and health and safety made by employees and workers

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-



14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

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

- Implementation of "Digital Logistics Management" to ensure "discipline of truck drivers" and "truck safety checks".
- Visible Felt Leadership: Safety Conversation/ Dynamic Risk Assessment by Plant Manager & Head of Departments.
- Review of Hazard Identification & Risk Assessments (HIRA) and Safe Operating Procedures (SOP) of all the Plant activities.
- Continue to implement measures of the Group "Clean site/ safe site" initiative for all the Plants.
- Impart training on "Health & Safety Competency" for front line engineers & Managers.
- Impart Training on "Contractor safety requirements" for contractors & Contractor supervisors & safety Compliance audit.
- Inspection of work platforms, toe guards & handrails to ensure compliance with group safety standards.
- Audit of process & mechanical equipment's to ensure their fit & proper working condition.
- Audit of Sub-station & Motor Control Center (MCC) Room is being carried out on safety, fire detection, earthing etc., to ensure the compliance with the electrical standards.
- Safety interlock switches (No Guard No Start) with 30KW and above to prevent machine operation without rotating parts protection guards.
- Audit of Chemical Handling Safety which ensures that chemicals are labelled, availability of Material Safety Data Sheet (MSDS), Proper storage & training for authorized chemical handling personnel in the plant.

PRINCIPLE 4 - BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

The Company's stakeholder engagement process begins with defining objectives and scope and adopting the medium for engagement. This is followed by identifying and prioritising the internal and external stakeholders and conducting interaction with various stakeholders' groups such as Employees, Dealers, Retailers, Customers, Suppliers, Contractors, Other Service Providers, Regulatory Authorities, Shareholders, Investors, Analysts and Local Communities.

Throughout the course of the year, we maintain ongoing dialogue with the many stakeholders by utilising a variety of channels of contact. The process of engaging stakeholders also includes regular feedback and grievance redressal methods, both of which are vital components of the process.

This involvement helps us in understanding their viewpoint and put forth our perspective. On the basis of outcome of interaction, appropriate actions are taken in the interest of all the stakeholders. The insights that we gain from these discussions are helpful, because they allow us to continually enhance both our strategy and our operations.

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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	Email, Website, Investor Conferences, General Meetings, Stock Exchange, Earnings Calls	Quarterly / Annually and as and when required	Disseminating and sharing of information with shareholders and investors with a view to update and also seek approval of shareholders as may be required from time to time.
Dealers, Retailers & Customers	No	Email, SMS, Advertisements, Social Media, Website, Dealer / Retailer Conferences	Periodic	1. New services and offerings 2. Customer Queries & feedback



Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers, Contractors and other Service providers	No	Email, Vendor Interactions, Review Meetings	Periodic	<ol style="list-style-type: none"> 1. Product and service requirement along with commercial terms and conditions 2. Quality Check 3. Performance review of products and services 4. Vendor queries and feedback
Employees	No	Email, WhatsApp, Communication Meeting, Open-house meetings, performance appraisal sessions, training sessions	Periodic	<ol style="list-style-type: none"> 1. Talent development and Training 2. Employee Engagement & Feedback 3. Performance review 4. Sharing regular updates on Company's operational and financial performance, new initiatives 5. Updates on Occupational Health and Safety
Regulatory Authorities/ Government Agencies	No	Regulatory filings, Representations and Submissions, websites	Periodic and event-based compliances	<ol style="list-style-type: none"> 1. Regulatory compliance 2. Environmental initiatives 3. Industry feedback and expectations 4. Good Governance Practice
Local Communities	No	Community Meetings, Surveys, Awareness campaigns	Periodic and as when required	<ol style="list-style-type: none"> 1. Educational Initiatives 2. Vocational Courses 3. Rural Infrastructure development 4. Healthcare Facilities 5. Community engagement

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
EMPLOYEES						
Total employees	718	405	56%	667	355	53%
WORKERS						
Total workers	294	148	50%	329	178	54%



2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24				FY 2022-23							
	Total (A)		Equal to minimum wage		More than minimum wage		Total (D)		Equal to minimum wage		More than minimum wage	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. F	% (F/D)				
EMPLOYEES												
Permanent	718				667							
Male	702	00	00	702	100%	652	00	00	652	100%		
Female	16	00	00	16	100%	15	00	00	15	100%		
Non-permanent	05				06							
Male	04	00	00	04	100%	05	00	00	05	100%		
Female	01	00	00	01	100%	01	00	00	01	100%		
WORKERS												
Permanent	294				329							
Male	293	00	00	293	100%	328	00	00	328	100%		
Female	01	00	00	01	100%	01	00	00	01	100%		
Non-permanent	00				00							
Male	00	00	00	00	00	00	00	00	00	00		
Female	00	00	00	00	00	00	00	00	00	00		

3. a Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	01	22,229,794	NIL	NIL
Key Managerial Personnel	03	22,229,794	NIL	NIL
Employees other than BOD & Key Managerial Personnel	703	7,48,290	17	9,42,508
Workers	293	6,14,123	01	5,93,964

b. Gross wages paid to females as % of total wages paid by the entity in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages.	3.18%	3.15%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, The Company has in place a Policy Statement on Human Rights wherein the all the employees and workers of the Company are familiarized about ensuring of Human Rights based on UN Guiding Principles. Also, during Financial Year 2023-24, the Company had conducted a Human Rights Risk Assessment at Plant level wherein a human rights risk coordinator was appointed by the Company to identify human rights risk at the plant and correspondingly conduct risk assessment through interviews to people belonging to Executive and Management level in order to take preventive and mitigation measures at the plant level. Simultaneously a report was presented to the Management about ensuring of compliance with Human Rights.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues

In line with the Company's Grievance Redressal Policy, a confidential and anonymous compliance hotline has been implemented for employees as well as suppliers / contractors to report breaches of both social and professional norms. This system operates in tandem with the Vigil Mechanism, designed to ensure appropriate resolution of grievances.

Ensuring an unbiased approach, the Ethics Counsellor and/or the Chairperson of the Audit Committee oversee investigations of Protected Disclosures received under Vigil Mechanism / Whistle Blower Policy. This process underscores the significance of the complainant's rights, confidentiality, cooperation, and timely completion, all while upholding fairness and thwarting any undue interference.

Furthermore, employees have the option to formally register their complaint(s) in writing with POSH committee or directly address their concerns to the chairperson of the committee in respect of sexual harassment incidents.

6. Number of complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	-		0	-	
Discrimination at workplace	0	-		1	-	Closed
Child Labour	0	-		0	-	
Forced /Involuntary Labour	0	-		0	-	
Wages	0	-		0	-	
Others	19	-	Closed	6	-	Closed

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

In order to prevent adverse consequences to the complainant in discrimination and harassment cases, the Company has established mechanisms aimed at ensuring a fair and unbiased resolution process. One such mechanism is the inclusion of external members in the decision-making committee. These external members bring an objective unbiased perspective and help maintain the integrity of the proceedings. Any complaint received is investigated promptly and thoroughly.

In matters related to POSH where the complaint remains unresolved by the internal POSH committee, the option of litigation is available. This serves as an additional safeguard to protect the rights and well-being of the complainant. Litigation provides a formal avenue for seeking legal remedies and addressing any adverse consequences that may have resulted from the discrimination or harassment.

By incorporating external members, the Company demonstrates its commitment to address discrimination and harassment cases thoroughly and transparently. These measures are designed to ensure that the complainant is duly supported and protected against victimisation.

To deal with issues other than Sexual Harassment incidents, Heidelberg Materials Group has established a compliance hotline known as "Speak Up" which can be used by any employee/ vendor of any of the subsidiaries of Heidelberg Materials group to anonymously report compliance incidents. In line with the group policy, HCIL has also extended this facility to its employees/ vendors for reporting compliance incidents. This platform ensures that all complaints are heard, recorded and registered with the compliance officer for appropriate action and simultaneously ensuring fairness and confidentiality are maintained. It helps in improving confidence of concerned stakeholders in the organisation and also has as a deterrent effect.



9. **Do human rights requirements form part of your business agreements and contracts?**

Yes, the Company mandates its suppliers, contractors and business associates to ensure that they adhere to human rights best practices.

10. **Assessments for the year**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/ involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	-

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not applicable

PRINCIPLE 6 - BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. **Details of total energy consumption and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A) (GJ)	3,84,554	3,57,296
Total fuel consumption (B) (GJ)	7,51,463	4,70,402
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumed from renewable sources (A+B+C) (GJ)	11,36,017	8,27,698
From non-renewable sources		
Total electricity consumption (D) (GJ)	8,45,843	7,67,215
Total fuel consumption (E) (GJ)	87,78,659	79,70,255
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumed from non-renewable sources (D+E+F) (GJ)	96,24,502	87,37,470
Total energy consumption (A+B+C+D+E+F) (GJ)	1,07,60,519	95,65,168
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ / INR)	0.00045	0.00043
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ / INR)	0.00920	0.00864
Energy intensity in terms of physical output (GJ/ Cement Manufactured in MT)	2.35	2.21
Energy intensity (optional) - the relevant metric may be selected by the entity (GJ/ Clinker Manufactured in MT)	3.57	3.55

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**



The PAT scheme promotes using energy credit instruments through tradable excess energy saving certificates (ESCerts). The Narsingarh plant is a Designated Consumer under the PAT scheme of the government since beginning. During PAT cycle-1, i.e., from 2012 to 2015, the plant surpassed the given target of 0.1257 TOE/Ton and achieved 0.1040 TOE/Ton. This resulted in the accumulation of 18,697 ESCerts from the government. The plant also outperformed during PAT cycle-2 (2016 – 2019) and achieved 0.0855 TOE/Ton against the target of 0.0915 TOE/ Ton entitling us to receive 14,424 ESCerts. Thereafter, the PAT cycles 3-6 were not applicable to Narsingarh Plant as a Designated Consumer. Currently, the Narsingarh Plant is under PAT Cycle-7 (2022-2025) with a planned target of 0.0825 TOE/ton.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	11,68,279	13,15,213
(ii) Ground Water	1,83,174	1,92,971
(iii) Third Party Water	-	-
(iv) Seawater / Desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	13,51,453	15,08,184
Total volume of water consumption (in kilolitres)	13,51,453	15,08,184
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000057	0.000067
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.001155	0.001363
Water intensity in terms of physical output (MT waste generated / Cement Manufactured in MT)	0.30	0.35
Water intensity - the relevant metric may be selected by the entity (MT waste generated / Clinker Manufactured in MT)	0.45	0.56

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

4. Provide the following details related to water discharged.

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water - No treatment - With treatment, please specify level of treatment	-	-
(ii) To Groundwater - No treatment - With treatment, please specify level of treatment	-	-
(iii) To Seawater - No treatment - With treatment, please specify level of treatment	-	-
(iv) Sent to third parties - No treatment - With treatment, please specify level of treatment	-	-
(v) Others - No treatment - With treatment, please specify level of treatment	-	-
Total water discharged in kilolitres	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No



5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes.

Cement Manufacturing is a dry process thus there is no direct utilization of water in manufacturing process. Water is only used for industrial cooling purposes. The Company is committed to minimize the impact of business operations on natural water resources through the zero-liquid discharge (ZLD) pledge. HCIL have implemented a Zero Liquid Discharge condition by installing STP wide capacity 1115 KLD.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/Nm ³	547.49	618.30
SOx	mg/Nm ³	23.03	22.60
Particulate matter (PM)	mg/Nm ³	52.05	68.65
Persistent organic pollutants (POP)	mg/Nm ³	0	4
Volatile organic compounds (VOC)	mg/Nm ³	0.001	0.001
Hazardous air pollutants (HAP)	mg/Nm ³	0	0
Others	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MTCO ₂ e	24,77,822	22,06,397
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MTCO ₂ e	1,68,229	1,70,746
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 emissions / Revenue from operations)	MTCO ₂ e/INR	0.000112	0.000106
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MTCO ₂ e/INR	0.002262	0.002148
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(Metric tonnes of CO ₂ equivalent/ Cement Manufactured in MT)	0.58	0.61
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	(Metric tonnes of CO ₂ equivalent/ Clinker Manufactured in MT)	0.88	0.98

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If yes, name of the external agency.

No

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes.

Energy management lies at the heart of HCIL's sustainability strategy. The Company strives to reduce its reliance on fossil fuels and transition to renewable energy sources. This Commitment is crucial in minimizing greenhouse gas emissions and promoting environmentally friendly practices. The Company aims to lower air pollutants below average emissions prescribed for the cement industry. Further, to mitigate climate impact on operations, the Company has implemented a wide range of initiatives and focuses on reduction in emission and adoption of renewable energy. The Company has significantly increased its renewable energy footprint by incorporating solar energy and biomass-based fuels in its operations to mitigate climate impact. Additionally, the plant is equipped with a waste heat recovery system, allowing the Company to recover and utilize a significant portion of energy demand. Dedicated plant teams continuously



monitor and work to reduce energy consumption and emissions by implementing strategic interventions such as incorporating conveyor belts in the supply chain and retrofitting existing equipment and machinery. The Company commissioned a 5.5 Mega Watt (MW) Solar Power Plant situated in its mining area at Damoh, Madhya Pradesh. This development has enabled the mining operations and clinker plant to receive a reliable supply of electricity. With an estimated annual generation of 10 Gigawatt hours, the solar plant serves as a sustainable alternative to the electricity previously procured through short term open access and from the grid. This initiative aligns with the Company's commitment to reducing its carbon footprint and promoting the use of renewable energy sources. Replacement of fossil fuels with alternative fuels (AFs) in clinker production has led to reduction of greenhouse gas emissions leading to significant expansion of renewable energy footprint. In line with these goals, AFs were introduced in Narsingarh Line 3, initially using biomass from nearby areas. The system handles up to 15t/h of AF, including biomass, RDF (Refuse Derived Fuel), and combustible components of Municipal Solid Waste. This initiative underscores the Company's commitment to sustainable practices and innovative energy sourcing.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	7,027	6,524
E-Waste (B)	4.43	3.628
Bio-Medical Waste (C)	0.14	0.12
Construction and demolition waste (D)	0	0
Battery For (E)	7.38	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any-Used Oil (G)	39.01	41.82
Other Non-hazardous waste generated (H). Please specify, if any - MS melting scrap, wooden waste, cardboard	1,616.23	2,012.37
Total (A+B+C+D+E+F+G+H)	8,694.19	8,581.94
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000004	0.0000004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000074	0.0000078
Waste intensity in terms of physical output (MT waste generated / Cement Manufactured in MT)	0.00190	0.00199
Waste intensity - the relevant metric may be selected by the entity (MT waste generated / Clinker Manufactured in MT)	0.00288	0.00319
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	7,027	6,524
Total	7,027	6,524
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1,667	2,058
Total	1,667	2,058

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No



10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is aligned with the concept of the circular economy and prioritizes waste management by embedding circularity throughout its production processes, including storage, usage, reuse, recycling, and disposal of waste generated at its facilities.

The Company strives to replace hazardous and toxic chemicals in or products with eco-friendly alternatives. The Company utilizes waste materials from other industries, such as blast furnace slag and fly ash, as input materials for cement manufacturing, effectively reducing the reliance on naturally extracted resources and promoting material circularity.

Various types of hazardous and non-hazardous waste are generated at the company's different plants, including used oil, biomedical waste, E-waste, and battery waste. The company has implemented appropriate infrastructure at each site to safely handle, collect, and store the different types of waste until they are sold to registered Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) vendors and recyclers.

At the plant level, waste generated on-site is systematically managed through a color-coded collection bin system. However, instead of dealing with the waste disposal internally, the company has opted for selling waste to external vendors who take charge of the entire waste management process, from collection to final disposal. This helps the Company to safely dispose hazardous and non-hazardous waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

Sr. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2023-24.

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web Links
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances.

The Company has duly complied with all the applicable environmental laws/regulations/guidelines applicable from time to time such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and the rules made thereunder.

S No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				



PRINCIPLE 7 - BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

The company is a member of three trade and industry chambers / associations during FY24.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Confederation of Indian Industry (CII)	National
2	Cement Manufacturers' Association (CMA)	National
3	Global Cement and Concrete Association (GCCA), India	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of the Authority	Brief of the case	Corrective Action Taken
NA	NA	NA

PRINCIPLE 8 - BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
NA					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. **Describe the mechanisms to receive and redress grievances of the community.**

As a part of the CSR Policy, the HR representative at each plant location meet the representatives of local communities to understand their needs and problems and extend requisite support to the extent possible.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	5.9%	2.4%
Directly from within India	91.6%	95.4%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2023-24	FY 2022-23
Rural	21.1%	22.2%
Semi-urban	22.0%	23.3%
Urban	9.2%	9.0%
Metropolitan	47.7%	45.5%



PRINCIPLE 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Receiving and responding to consumer complaints and feedback effectively is crucial for maintaining customer satisfaction and trust. Company manufacturers the product with world class quality control process however in-case a customer wants to reach us for any feedback/complaints he has several ways to reach us.

- Company has a dedicated email, phone and WhatsApp chatbot number, which is easily accessible to consumer through our cement bags, website, and marketing collaterals. The complaints registered through these modes are attended by our call centre team during working hours and speedy resolution is provided to best of Companies ability.
- Customer can also get our technical service engineer's number through our authorized retailer network from where they have bought the material.

The Company has established a highly experienced and well-trained technical team and a well-defined protocol to efficiently address consumer complaints in a prompt and efficient manner – ranging from the initial receipt of a complaint to its thorough examination, resolution, and subsequent closure.

The Company has a customer service team that provides onsite support and demonstration through a mobile testing van. Additionally, the Company has a specialized tool known as 'Dealer Connect', designed to facilitate seamless submission of requests from key dealers. Customers are provided with multiple channels to voice their grievances through mediums such as the official website.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The Company's products adhere to all applicable statutory parameters
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	NA		0	NA	
Advertising	0	NA		0	NA	
Cybersecurity	0	NA		0	NA	
Delivery of essential services	NA	NA		NA	NA	
Restrictive Trade Practices	0	NA		0	NA	
Unfair Trade Practices	0	NA		0	NA	
Other	43	1	Complaint related to slow setting, low strength, cracks etc.	0	NA	

4. Details of instances of product recalls on accounts of safety issues.

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA



5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.

Yes. The data privacy policy is available on the Company's website at <https://www.mycemco.com/data-protection>

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company always strives to ensure that the best quality products are delivered to our customers and ensure all feedback from our stakeholders is considered in our business processes.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

No data breaches faced in FY 2023-24.

b. Percentage of data breaches involving personally identifiable information of customer

NA

c. Impact, if any, of the data breaches

NA



REPORT ON CORPORATE GOVERNANCE

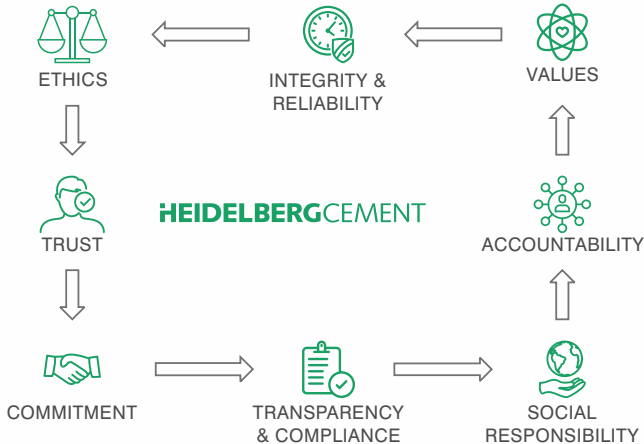
CORPORATE GOVERNANCE PHILOSOPHY

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 the Heidelberg Materials Group and over the years has 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 2024, are as follows:

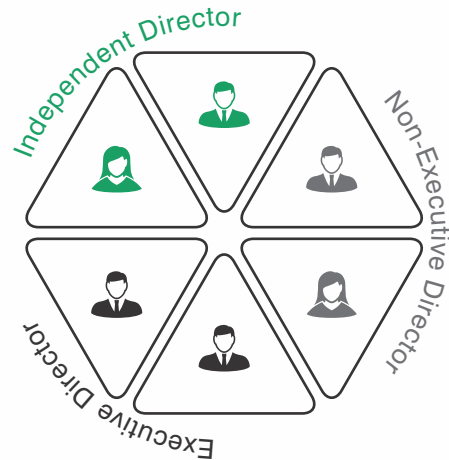
BOARD OF DIRECTORS

Size & Composition of the Board

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors. As on 31 March 2024, 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). None of the Directors of the Company are related to each other. The Chairperson of the Board is an Independent Director. Separate persons have been appointed by the Company to the post of Chairperson and Managing Director.

The composition of the Board as on 31 March 2024 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 2024 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 Directorship(s) in other Public Limited Companies*	No. of outside Committee position(s) held**	
					Membership	Chairpersonship
1	Ms. Jyoti Narang# DIN: 00351187 Chairperson and Non-Executive Independent Woman Director	-	-	-	-	-
2	Mr. Atul Khosla## DIN: 06476856 Non-Executive Independent Director	-	-	-	-	-
3	Mr. Roberto Callieri@@ DIN: 05139888 Non-Executive Director	-	-	2	-	-
4	Ms. Soek Peng Sim DIN: 06958955 Non-Executive Director	-	-	2	-	-
5	Mr. Joydeep Mukherjee DIN: 06648469 Managing Director	-	-	2	-	-
6	Mr. Vimal Kumar Jain DIN: 09561918 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.

Mr. Ramakrishnan Ramamurthy ceased to be Chairman & Non-Executive Independent Director of the Company with effect from the close of business hours on 11 February 2024. Consequent to end of his five years term as Independent Director, Ms. Jyoti Narang has taken charge as the Chairperson of the Board of Directors with effect from 12 February 2024.

Mr. Atul Khosla was appointed as Non-Executive Independent Director of the Company with effect from 06 November 2023.

@@ Mr. Kevin Gerard Gluskie resigned from the position of Non-Executive Director with effect from the close of business hours on 13 March 2024. Mr. Roberto Callieri was appointed as Non-Executive Director of the Company with effect from 14 March 2024.

Number of Board Meetings

During the financial year ended 31 March 2024, the Board of Directors met five times i.e., on 29 May 2023, 18 July 2023,

06 November 2023, 31 January 2024 and 08 March 2024. The maximum time gap between any two consecutive board meetings was less than 120 days.

Attendance of Directors at the Board Meetings and last Annual General Meeting of the Company along with details of number of shares/convertible instruments held by them as on 31 March 2024:

Sr. No.	Name of the Director	Dates of Board Meetings held and attended during FY24					Total Board Meetings held during their tenure	Total Board Meetings attended during their tenure	Last Annual General Meeting held on 27-09-23	Number of equity shares held in the Company
		29 May 2023	18 July 2023	06 November 2023	31 January 2024	08 March 2024				
1	Ms. Jyoti Narang	√	√	√	√	√	5	5	√	Nil
2	Mr. Ramakrishnan Ramamurthy#	√	√	√	√	N.A.	4	4	√	Nil
3	Mr. Atul Khosla##	N.A.	N.A.	N.A.	√	√	2	2	N.A.	Nil
4	Mr. Kevin Gerard Gluskie@	√	√	√	X	X	5	3	X	Nil
5	Mr. Roberto Callieri@@	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Nil
6	Ms. Soek Peng Sim	√	√	√	X	X	5	3	√	Nil
7	Mr. Joydeep Mukherjee	√	√	√	√	√	5	5	√	Nil
8	Mr. Vimal Kumar Jain	√	√	√	√	√	5	5	√	Nil

√ Attended x Not Attended

Retired from the position of Chairman and Non-Executive Independent Director of the Company with effect from close of business hours on 11 February 2024. Ms. Jyoti Narang has taken charge as Chairperson of the Board in place of Mr. Ramamurthy with effect from 12 February 2024.

Appointed as Non-Executive Independent Director of the Company with effect from 06 November 2023.

@ Resigned from the position of Non-Executive Director of the Company with effect from close of business hours on 13 March 2024.

@@ Appointed as Non-Executive Director of the Company with effect from 14 March 2024.



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.

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	Ms. Jyoti Narang	√	√	–	√
2	Mr. Atul Khosla	√	√	√	–
3	Mr. Roberto Callieri	√	√	√	–
4	Ms. Soek Peng Sim	√	√	√	–
5	Mr. Joydeep Mukherjee	√	√	√	√
6	Mr. Vimal Kumar Jain	√	–	√	–

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/Familiarization_programme_for_Independent_Directors_FY24.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 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 2024 was as follows:

Sr. No.	Name of the Director	Audit Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Risk Management Committee*
1	Ms. Jyoti Narang					
2	Mr. Atul Khosla					
3	Mr. Roberto Callieri	–	–	–		–
4	Ms. Soek Peng Sim		–	–	–	–
5	Mr. Joydeep Mukherjee	–			–	
6	Mr. Vimal Kumar Jain	–	–		–	–

Chairperson Member

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

Audit Committee

The Audit Committee of the Company met four times during FY24. 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 FY24				Total Meetings held during their tenure	Total Meetings attended during their tenure
		29 May 2023	18 July 2023	06 November 2023	31 January 2024		
1	Ms. Jyoti Narang*	✓	✓	✓	✓	4	4
2	Mr. Atul Khosla*	N.A.	N.A.	N.A.	✓	1	1
3	Mr. Ramakrishnan Ramamurthy**	✓	✓	✓	✓	4	4
4	Ms. Soek Peng Sim	✓	✓	✓	X	4	3

✓ Attended x Not Attended

* Appointed with effect from 06 November 2023 and has taken charge as Chairman of the Committee with effect from 12 February 2024 in place of Ms. Jyoti Narang who continues to be a member of the Committee.

** Ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024.

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 FY24.

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 FY24 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 FY24				Total Meetings held during their tenure	Total Meetings attended during their tenure
		29 May 2023	18 July 2023	06 November 2023	31 January 2024		
1	Ms. Jyoti Narang*	√	√	√	√	4	4
2	Mr. Ramakrishnan Ramamurthy*	√	√	√	√	4	4
3	Mr. Atul Khosla**	N.A.	N.A.	N.A.	√	1	1
4	Mr. Joydeep Mukherjee	√	√	√	√	4	4

√ Attended x Not Attended

* Mr. Ramakrishnan Ramamurthy ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024. Consequently Ms. Jyoti Narang has taken charge as Chairperson of the Committee with effect from 12 February 2024.

** Appointed with effect from 06 November 2023.

Mr. Rajesh Relan, Senior Vice President- Corporate Affairs Company Secretary is the Compliance Officer of the Company and also acts as Secretary to the Committee. During the period under review Three complaints were received and resolved. There was no pending investor complaint as on 31 March 2024.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company met twice during FY24. 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 FY24		Total Meetings held during their tenure	Total Meetings attended during their tenure
		29 May 2023	06 November 2023		
1	Mr. Ramakrishnan Ramamurthy*	√	√	2	2
2	Ms. Jyoti Narang*	√	√	2	2
3	Mr. Joydeep Mukherjee	√	√	2	2
4	Mr. Vimal Kumar Jain	√	√	2	2
5	Mr. Atul Khosla**	N.A.	N.A.	0	0

√ Attended x Not Attended

* Mr. Ramakrishnan Ramamurthy ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024. Consequently Ms. Jyoti Narang has taken charge as Chairperson of the Committee with effect from 12 February 2024.

** Appointed as member of the Committee with effect from 06 November 2023.

Risk Management Committee

The Risk Management Committee of the Company met thrice during FY24. 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 FY24			Total Meetings held during their tenure	Total Meetings attended during their tenure
		18 July 2023	06 November 2023	31 January 2024		
1	Mr. Joydeep Mukherjee	√	√	√	3	3
2	Mr. Ramakrishnan Ramamurthy**	√	√	√	3	3
3	Ms. Jyoti Narang	√	√	√	3	3
4	Mr. Atul Khosla*	N.A.	N.A.	√	1	1
5	Mr. Anil Kumar Sharma	√	√	√	3	3

√ Attended x Not Attended

* Appointed with effect from 06 November 2023 ** Ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company met three times during FY24. 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 and Remuneration Committee held and attended during FY24			Total Meetings held during their tenure	Total Meetings attended during their tenure
		29 May 2023	06 November 2023	08 March 2024		
1	Ms. Jyoti Narang	√	√	√	3	3
2	Mr. Ramakrishnan Ramamurthy*	√	√	N.A.	2	2
3	Mr. Atul Khosla**	N.A.	N.A.	√	1	1
4	Mr. Kevin Gerard Gluskie@	√	√	X	3	2
5	Mr. Roberto Callieri***	N.A.	N.A.	N.A.	0	0

√ Attended x Not Attended

* Ceased to be Non-Executive Independent Director with effect from close of business hours on 11 February 2024.

** Appointed with effect from 06 November 2023 and has taken charge as Chairman with effect from 12 February 2024 in place of Ms. Jyoti Narang who continues to remain a member of the Committee.

@ Resigned with effect from close of business hours on 13 March 2024.

*** Appointed with effect from 14 March 2023 and became a member of the Committee from the same date.

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 linked 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 INR)

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



Sitting fee paid to Non-Executive Independent Directors during FY24

Name of the Director	No. of meetings attended							Sitting fees paid from 01.04.2023 to 31.03.2024*
	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	
Ms. Jyoti Narang	5	4	4	3	2	3	1	19,40,000
Mr. Ramakrishnan Ramamurthy	4	4	4	2	2	3	1	17,60,000
Mr. Atul Khosla	2	1	1	1	--	1	1	6,20,000

*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 2024.

Senior Management

The particulars of Senior Management Personnel of the Company during the Financial Year ended 31 March 2024 are given below:

1	Mr. Vimal Kumar Jain	Whole-time Director (Director - Technical)
2	Mr. Anil Kumar Sharma	Chief Financial Officer
3	Ms. Poonam Sharma	Director - Human Resources
4	Mr. Molugu Purnachander	Director - Procurement
5	Mr. Rajesh Relan**	Company Secretary & Compliance Officer
6	Mr. Rajinder Singh	President - Sales & Marketing
7	Mr. Sumeet Bisarya	Head - Business Development & Internal Audit
8	Mr. Manish Shah	Head - Cement Competency Centre (CCC)
9	Mr. Sunil Kumar	Head Works - Damoh (Integrated Cement Plant)
10	Mr. Gaurav Karakoti*	Vice President - Sales Excellence

*During the year under review the Board of Directors at its meeting held on 29 May 2023 approved the appointment of Mr. Gaurav Karakoti, VP - Sales Excellence as a Senior Management Personnel.

**Mr. Rajesh Relan vide letter dated 12 April 2024 resigned from the position of Company Secretary & Compliance Officer of the Company. The Board at its meeting held on 29 May 2024 accepted his resignation and decided to relieve him from the position of Company Secretary and Compliance Officer of the Company with effect from the close of business hours on 17 June 2024.

Remuneration of Whole-time Director

The details of the Remuneration paid to Vimal Kumar Jain, Whole-time Director, during FY24 is given below: (INR)

Particulars	(Rupees)
Basic Salary	6,870,240
Perquisites & Allowances	8,176,944
Variable Pay #	6,358,181
Contribution to PF and Superannuation Fund	824,429
Total	22,229,794

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 Company does not pay any sitting fee/commission/remuneration to Mr. Joydeep Mukherjee, Managing Director. The Company does not have any Stock Option Scheme.

The notice period of Managing Director and Whole-time Director is three months.

Meeting of Independent Directors

During FY24, the Independent Directors of the Company met on 31 January 2024 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 all 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 2024 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

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' as specified in Part E of Schedule II of SEBI Listing Regulations.

Management Discussion and Analysis

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

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 FY24 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 FY24, 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 01st April 2016. The financial statements 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 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.

The Company's website, www.mycemco.com also contains transcripts and audio recordings 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 FY24, 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 5.9 million, comprising audit fee of INR 5.7 million and reimbursement of expenses of INR 0.2 million, to its statutory auditor, M/s. S.N. Dhawan & Co. LLP for carrying-out statutory audit for the financial year 2023-24 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 Managing Director

Mr. Joydeep Mukherjee (holding DIN-06648469) was appointed as Managing Director of the Company for a term of three years from 01 April 2023 to 31 March 2026. His appointment was also approved by Shareholders by passing resolution on 27 April 2023 through postal ballot.

Appointment of Independent Director

The Board of Directors of the Company appointed Mr. Atul Khosla (holding DIN-06476856) as an Additional Director in the category of Non-Executive Independent Director, with effect from 06 November 2023. His appointment was also approved by Shareholders for a term of five years from 06 November 2023 to 05 November 2028 by way of passing a special resolution on 12 January 2024 through postal ballot.

Change of Chairperson

Mr. Ramakrishnan Ramamurthy ceased to be Chairman & Non-Executive Independent Director of the Company with effect from close of business hours on 11 February 2024 consequent to end of his five-year term. The Board places

on record its appreciation for the valuable guidance and contributions made by Mr. Ramakrishnan Ramamurthy.

The Board of Directors has appointed Ms. Jyoti Narang, Non-Executive Independent Woman Director as Chairperson of the Board with effect from 12 February 2024 in place of Mr. Ramakrishnan Ramamurthy.

Resignation of Non-Executive Director

Mr. Kevin Gerard Gluskie (holding DIN: 07413549) resigned from the position of Non-Executive Director of the Company with effect from close of business hours on 13 March 2024 on account of end of his employment contract with Heidelberg Materials Group. The Board places on record its appreciation for the valuable guidance and contributions made by Mr. Gluskie.

Appointment of Non-Executive Director

The Board of Directors of the Company appointed Mr. Roberto Callieri (DIN-05139888) as an Additional Director in the category of Non-Executive Director, with effect from 14 March 2024. His appointment was also approved by Shareholders by way of passing an ordinary resolution on 26 April 2024 through postal ballot.

Retirement by rotation

Mr. Vimal Kumar Jain, Whole-time 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.

General Meetings of Shareholders

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

Financial Year ended	Date & Time	Venue / Mode	Details of Special Resolutions passed at AGM
31.3.2023	27.09.2023 11.00 A.M.	Through Video Conference / Other audio-visual means	No Special Resolution was passed
31.3.2022	08.09.2022, 11.00 A.M.	Through Video Conference / Other audio-visual means	For appointment of Mr. Vimal Kumar Jain (holding DIN 09561918) as Whole-time Director of the Company from 10 June 2022 till 09 June 2025 in place of Mr. Sushil Kumar Tiwari
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.

Mr. Ramakrishnan Ramamurthy (former Chairman of the Board, Stakeholder's Relationship Committee and Corporate Social Responsibility Committee), Ms. Jyoti Narang (former Chairperson of Audit Committee and Nomination and Remuneration Committee), Ms. Soek Peng Sim, Non-Executive Director, Mr. Joydeep Mukherjee, Managing Director and Mr. Vimal Kumar Jain, Whole-time Director of the Company were present at the last AGM held on 27 September 2023.

Postal Ballot

During FY24, the following resolutions were passed by Postal Ballot through remote e-voting.

1. Ordinary resolution for appointment of Mr. Joydeep Mukherjee (DIN-06648469) as a Director of the Company not liable to retire by rotation.
2. Ordinary resolution for appointment of Mr. Joydeep Mukherjee as Managing Director of the Company for a term of 3 years with effect from 01 April 2023.
3. Special Resolution for appointment of Mr. Atul Khosla (DIN-06476856) as a Non-Executive Independent Director of the Company for a term of five years with effect from 06 November 2023.
4. Ordinary Resolution for appointment of Mr. Roberto Callieri (DIN-05139888) as a Non-Executive Director of the Company liable to retire by rotation.



Details of voting patterns are given below:

a) Resolutions of appointment of Mr. Joydeep Mukherjee:

Resolutions	Total No. of Votes polled	No. of Votes Cast in Favour of the Resolution	No. of Votes Cast against the Resolution	% of Votes cast in Favour to Votes polled	% of Votes cast against to Votes polled
Appointment of Mr. Joydeep Mukherjee (DIN-06648469) as a Director of the Company	19,31,23,988	19,17,42,883	13,81,105	99.28	0.72
Appointment of Mr. Joydeep Mukherjee as Managing Director of the Company	18,50,29,366	17,02,68,546	1,47,60,820	92.02	7.98

b) Resolution for appointment of Mr. Atul Khosla:

Resolution	Total No. of Votes polled	No. of Votes Cast in Favour of the Resolution	No. of Votes Cast against the Resolution	% of Votes cast in Favour to Votes polled	% of Votes cast against to Votes polled
Appointment of Mr. Atul Khosla (DIN-06476856) as a Non-Executive Independent Director of the Company for a term of five years from 06 November 2023 until 05 November 2028	19,30,55,776	19,26,55,681	4,00,095	99.79	0.21

c) Resolution for appointment of Mr. Roberto Callieri:

Resolution	Total No. of Votes polled	No. of Votes Cast in Favour of the Resolution	No. of Votes Cast against the Resolution	% of Votes cast in Favour to Votes polled	% of Votes cast against to Votes polled
Mr. Roberto Callieri (DIN-05139888) as a Non-Executive Director of the Company, liable to retire by rotation	19,10,97,748	18,72,16,615	38,81,133	97.97	2.03

Person who conducted the Postal Ballot exercise

The Board of Directors of the Company had appointed Mr. Nityanand Singh, Company Secretary in Whole-time Practice (FCS No. 2668, CP No. 2388) as a Scrutinizer to ensure conduct of postal ballots e-voting process in a fair and transparent manner in respect of all the abovementioned resolutions.

Whether any Special Resolution is proposed to be passed through Postal Ballot

No Special Resolution is proposed to be passed through Postal Ballot.

Procedure for Postal Ballot

The postal ballot was conducted in accordance with the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, General Circular Nos. 14/2020 dated 08 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 05 May 2020, 22/2020 dated 15 June 2020, 33/2020 dated 28 September 2020, 39/2020 dated 31 December 2020, 10/2021 dated 23 June 2021, 20/2021 dated 08 December 2021, 3/2022 dated 05 May 2022, 11/2022 dated 28 December 2022 and 09/2023 dated 25 September 2023 issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars"), Secretarial Standard on

General Meetings issued by the Institute of Company Secretaries of India and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Shareholders were provided the facility to vote through Postal Ballot only by means of remote e-voting. All the Postal Ballot Notices along with the Explanatory Statement were sent through e-mail to the members whose names appeared on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as on their respective Cut-off dates. The Company also published a notice in the newspapers as required under the Companies Act, 2013 and MCA Circulars. Shareholders holding equity shares as on the cut-off date casted their votes through remote e-voting during the remote e-voting period. After closing of the remote e-voting period, the scrutinizer prepared a report and submitted the same to the Chairman/person authorised by the Board of Directors and the results of voting by the postal ballots were announced within the prescribed time period. The results are displayed on the website of the Company (www.mycemco.com), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions contained in the Notice of the Postal Ballots are deemed to be passed on the last date specified for e-voting.



Annual General Meeting

Date : 25 September 2024

Day : Wednesday

Time : 11.00 A.M.

Venue : Through Video Conferencing Facility or Other Audio-Visual Means.

Financial Calendar for FY25

Proposed Board Meetings for approving quarterly financial results for the financial year 2024-25 are as under:

Approval of the financial results for the quarter ending 30 June 2024, 30 September 2024 and 31 December 2024.	Within 45 days from the end of the respective quarter.
Audited financial results for financial year ending 31 March 2025.	Within 60 days from the end of the financial year.
AGM for the financial year ending 31 March 2025.	August / September 2025.

Dividend: The Board of Directors has recommended Dividend of INR 8 per equity share of INR 10 each (80%) for FY24, subject to the approval of the shareholders in the ensuing AGM. The dividend, after declaration at AGM, will be paid to the shareholders within 30 days from the date of AGM.

Record date: 18 September 2024 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

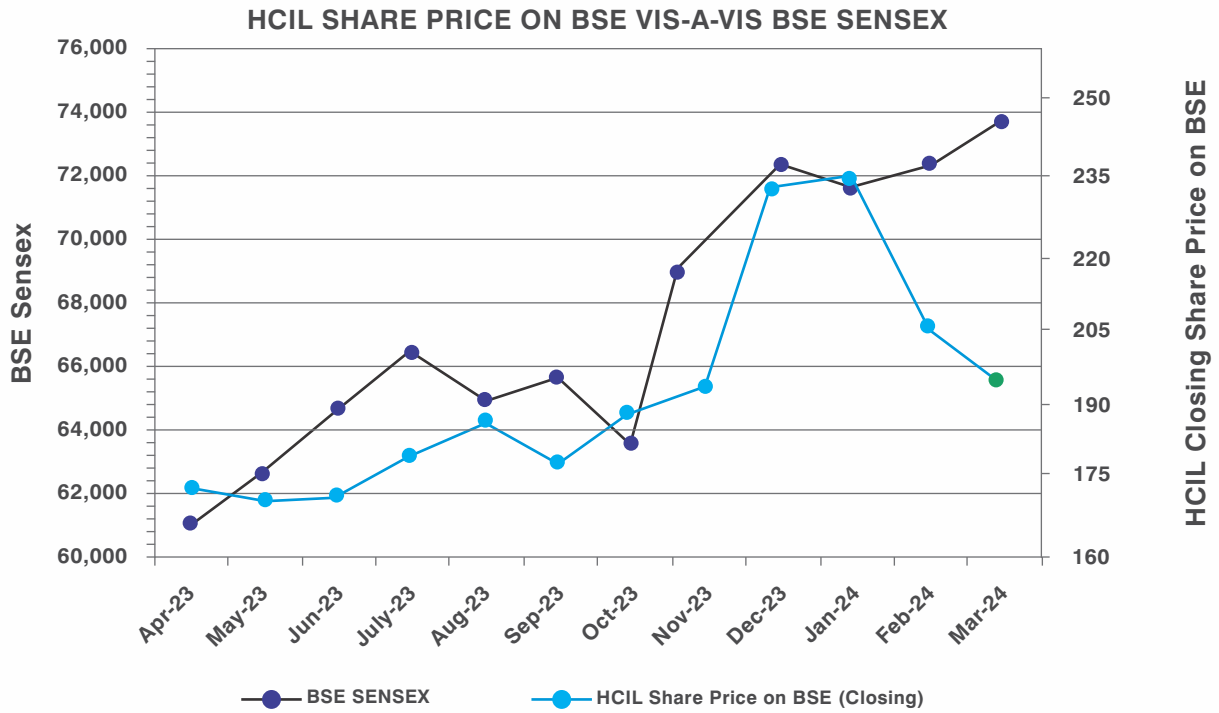
Share Price Data

Share Price of HeidelbergCement India Ltd. at BSE & NSE during the financial year ended 31 March 2024 is given below:

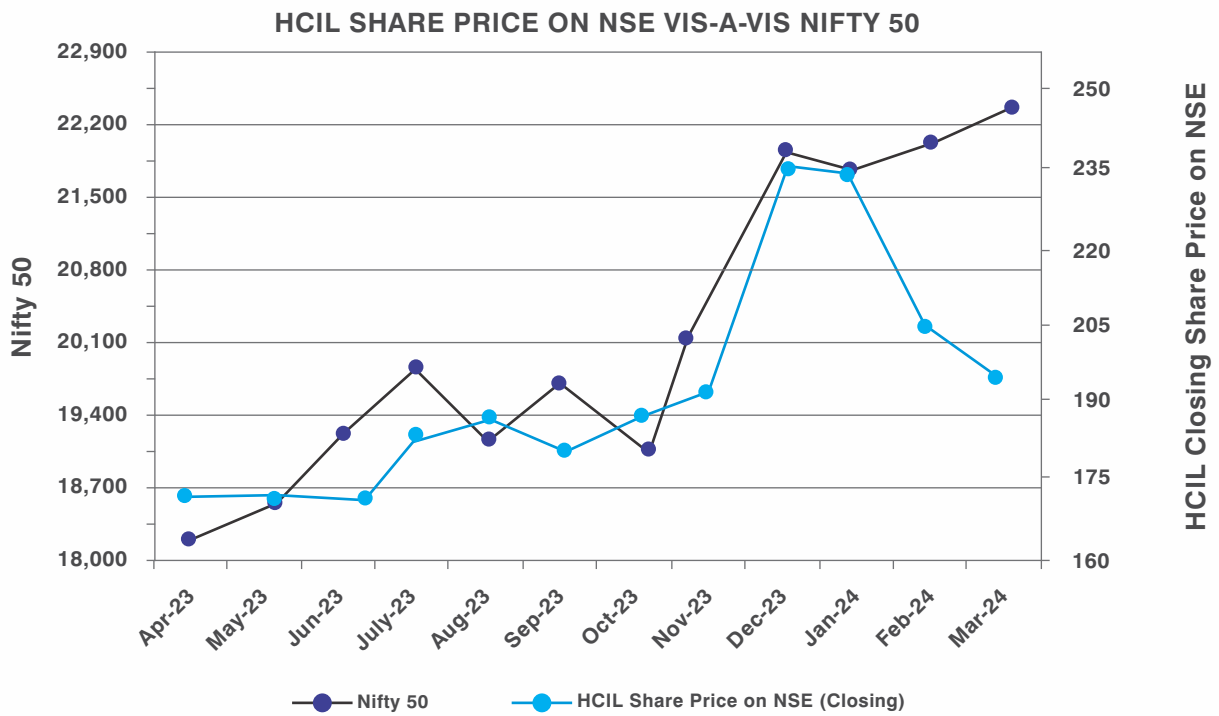
Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Close (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)
April 23	174.20	163.60	173.10	174.00	159.75	172.75
May 23	178.65	167.35	171.55	178.60	166.70	171.70
June 23	178.95	168.95	171.80	179.00	168.55	171.95
July 23	182.00	171.80	180.90	182.30	172.05	181.00
August 23	192.25	179.25	187.05	192.25	179.15	187.10
September 23	196.20	176.30	179.10	196.35	176.15	179.05
October 23	198.25	182.15	187.20	198.35	182.40	187.20
November 23	196.75	184.80	192.15	197.00	184.50	192.25
December 23	241.55	193.05	232.30	241.50	194.00	232.70
January 24	247.20	209.40	234.20	247.00	209.15	234.55
February 24	235.95	205.20	205.95	235.00	205.20	206.15
March 24	211.60	189.65	196.15	211.45	189.95	196.45



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 2024

Category	No. of Equity Shares	% of Equity shareholding
Promoters (Foreign Body Corporate)	157244693	69.39
Mutual Funds	15951849	7.04
Financial Institutions & Banks	6457	0.00
Central / State Government	328440	0.14
Insurance Companies	8568626	3.78
Foreign Portfolio Investors	10144475	4.48
NBFCs registered with RBI	500000	0.22
NRIs and Foreign National	3484955	1.54
Bodies Corporate	2932839	1.29
Trusts	49304	0.02
Resident Individuals	26222052	11.57
Clearing members	5985	0.00
HUFs	1173441	0.52
Total	226613116	100.00

Distribution Schedule of Equity Shares as on 31 March 2024

No. of equity shares of Rs. 10 each	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	81806	91.56	7755880	3.42
501-1000	3975	4.45	3203135	1.41
1001-2000	1824	2.04	2753464	1.22
2001-3000	629	0.70	1625399	0.72
3001-4000	243	0.27	872438	0.38
4001-5000	212	0.24	1011020	0.45
5001-10000	350	0.39	2654172	1.17
10001 and above	306	0.34	206737608	91.23
Total	89345	100.00	226613116	100.00

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 2024, 99.55% 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.

Share Transfer System

The SEBI Listing Regulations prohibit transfer of shares in physical form and as such the Company does not entertain

any request for transfer of shares. In view of the aforesaid amendment transfer of shares is possible only in dematerialized form.

Nomination Facility

As per the provisions of Section 72 of the Companies Act, 2013 read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17 November 2023, 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 may be frozen with effect from the date as may be specified by SEBI.



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 a certificate from a Practising Company Secretary 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 FY24.

Compliance Confirmations

- There was no non-compliance of any of the requirements prescribed under sub-paragraphs (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 institutions placement as specified under Regulation 32 (7A).
- No funds have been raised by the Company through issuance of Debt instruments and/or Fixed Deposits and as such credit rating is not required.

Loans and Advances

During FY24, the Company has not given any fresh loan to firms/companies in which directors are interested.

Compliance with mandatory requirements

The Company is compliant with all applicable mandatory requirements of the SEBI Listing Regulations. Quarterly compliance report on corporate governance 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.

Addresses for correspondence

Registered Office:

HeidelbergCement India Ltd.
2nd Floor, Block-B, DLF Cyber Greens
DLF Cyber City, Phase-III, Gurugram
Haryana - 122002
Phone Nos. : 0124 - 4503700
Fax No. : 0124 - 4147699
E-mail-Id : investors.mcl@mycem.in

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

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

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

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 2024.

Place: Gurugram
Date: 29 May 2024

Joydeep Mukherjee
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 2024, 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**

**Nityanand Singh (Prop.)
FCS No.: 2668 / CP No.: 2388
UDIN: F00268F000478814**

Peer Review Certificate No.: 1188/2021

**Place: New Delhi
Date: 29 May 2024**



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of 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, Block-B, DLF Cyber Greens, DLF Cyber City, Phase-III, DLF QE, Gurgaon, 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 Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of the Director	DIN	Date of appointment in the Company
1.	JYOTI NARANG*	00351187	18/08/2021
2.	ATUL KHOSLA	06476856	06/11/2023
3.	ROBERTO CALLIERI	05139888	14/03/2024
4.	SOEK PENG SIM	06958955	16/09/2014
5.	JOYDEEP MUKHERJEE	06648469	01/04/2023
6.	VIMAL KUMAR JAIN	09561918	10/06/2022
7.	RAMAKRISHNAN RAMAMURTHY*	00680202	12/02/2019
8.	KEVIN GERARD GLUSKIE**	07413549	04/02/2016

* Ms. Jyoti Narang has taken charge as Chairperson of the Board in place of Mr. Ramakrishnan Ramamurthy with effect from 12 February 2024 due to completion of tenure of Mr. Ramamurthy as Non-Executive Independent Director from the close of business hours on 11 February 2024.

** Resigned from the position of Non-Executive Director of the Company with effect from the close of business hours on 13 March 2024.

Ensuring the eligibility of 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: 29 May 2024**

**Nityanand Singh (Prop.)
FCS No.: 2668 / CP No.: 2388
UDIN: F00268F000478891
Peer Review Certificate No.: 1188/2021**



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

Promoters and persons acting in concert: Heidelberg Materials South Asia B.V. (formerly known as Cemenrum I B.V.), Heidelberg Materials AG, Heidelberg Materials Asia Pte Ltd, Castle Cement Ltd., CBR Baltic B.V., Civil and Marine Slag Cement Ltd., Bukhtarma Cement Company LLP, Heidelberg Materials Romania SA, Heidelberg Materials Cement Sverige AB, Duna-Drava Cement Kft, ENCI Holding N.V., Gorazdze Cement S.A., Heidelberg Materials UK., CaucasusCement Holding B.V., Heidelberg Materials Central Europe East Holding B.V., Heidelberg Materials Danmark A/S, Heidelberg Materials International Holding GmbH, Heidelberg Materials Netherlands Holding B.V., Heidelberg Materials Northern Europe AB, Heidelberg Materials Norway a.s., Heidelberg Materials Sweden AB, Heidelberg Materials UK Holding Ltd., HeidelbergCement Ukraine Public Joint Stock Company, Heidelberg Materials Kunda AS, Heidelberg Materials Sement Norge AS, S.A. Heidelberg Materials Benelux, Tvornica Cementa Kakanjd.d., Civil and Marine Limited., Lehigh Hanson Materials Limited, Lehigh Hanson Materials Limited, Lehigh Southwest Cement Company, Butra HeidelbergCementSdn. Bhd., Cimbenin S.A., Ciments du Togo S.A., Ghacem Ltd., HeidelbergCement Bangladesh Ltd., Liberia Cement Corporation Ltd., PT Indocement Tunngal Prakarsa Tbk, Scancem International DA, Tanzania Portland Cement Public Limited Company, HM Trading Service B.V., HC Trading Malta Ltd., HC Fuels Limited, Zuari Cement Ltd., Gulbarga Cement Limited and HM Italia Cementi S.P.A.



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 2024, 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 material 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 2024, and its 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 matters described below to be the key audit matters 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 2024, the company held provision for litigations of MINR 2,086.5 against which a sum of MINR 1,703.3 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 noncompliance 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 33 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 directors report, management discussion and analysis (MD&A) and corporate governance 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, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements 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 the 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 to the extent applicable 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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 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 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("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 have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 performed 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) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 01 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

For S.N. Dhawan & CO LLP

Chartered Accountants
 Firm Registration No.: 000050N/N500045
Rajeev Kumar Saxena
 Partner
 Membership No.: 077974
 UDIN No.: 24077974BKEZUW9166

Place: Gurugram
 Date: 29 May 2024



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 2024)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right of use assets.
- (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 property, plant and equipment under which property, plant and equipment and right of use 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 property, plant and equipment 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, being under cost model. 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.
- (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, the goods have been received subsequent to year end. 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 were noticed on physical verification as compared to the book records.
- (b) According to the information and explanations given to us, during the year, the Company has not been sanctioned 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 not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a), (c)- (f) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us the investments made, are not, prima facie, prejudicial to the Company's interest.
- (iv) According to the 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 investments. Further, company has not given loans, guarantees and security.
- (v) According to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year 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) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed 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 by the Company. 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) In our opinion and 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, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

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	40.4	2000-01 to 2004-05 and 2009-2010 to 2013-14	High Court
		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	4.6	2013-14	Income tax appellate tribunal (ITAT)
		1.2	2017-18	Commissioner Income Tax(Appeal)
Central Excise Act, 1944	Excise Duty and Cenvat	11.5	2000-01	High court
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) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) 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, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(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 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, the Company does not have any subsidiary,

associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.

- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

- (x) (a) 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) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a) - (c) 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 according to the information and explanations given to us, 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, during the year 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.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
- (b) The Company has not conducted non-banking financial or housing finance activities during the year.
- (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 are not applicable.
- (d) The Group has no CIC which are part of the Group.
- (xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (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.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN No.: 24077974BKEZUW9166

Place: Gurugram

Date: 29 May 2024



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 2024 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 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN No.: 24077974BKEZUW9166

Place: Gurugram

Date: 29 May 2024



Balance sheet as at 31 March 2024

Particulars	Notes	31 March 2024 Rs. in Million	31 March 2023 Rs. in Million
Assets			
Non-current assets			
Property, plant and equipment	3	13,972.6	14,819.3
Right-of-use assets	40	108.1	73.8
Capital work-in-progress	3	276.6	58.3
Intangible assets	4	20.9	11.2
Financial assets			
Investment	5	140.8	48.0
Other financial assets	5	278.4	309.9
Other non-current assets	6	402.7	198.1
		15,200.1	15,518.6
Current assets			
Inventories	7	1,757.6	1,752.3
Financial assets			
Trade receivables	8	550.2	311.2
Cash and cash equivalents	9	5,327.6	4,729.1
Bank balances other than Cash and cash equivalents	9	220.0	190.5
Other financial assets	5	355.2	918.1
Other current assets	10	3,096.8	3,226.8
Assets held for sale	11	103.7	-
		11,411.1	11,128.0
		26,611.2	26,646.6
Total assets			
Equity and liabilities			
Equity			
Equity share capital	12	2,266.2	2,266.2
Other equity	13	12,432.1	12,347.7
		14,698.3	14,613.9
Non-current liabilities			
Financial liabilities			
Borrowings	14	556.8	1,108.3
Lease liabilities	40	91.1	46.6
Other financial liabilities	15	54.3	39.4
Provisions	16	107.2	114.8
Government grants	17	4.2	89.7
Deferred tax liabilities (net)	18	2,050.5	2,133.7
		2,864.1	3,532.5
Current liabilities			
Financial liabilities			
Borrowings	14	694.0	629.5
Lease liabilities	40	28.5	32.3
Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		24.4	11.9
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,078.1	2,617.7
Other current financial liabilities	20	2,185.4	2,104.9
Other current liabilities	21	670.7	789.6
Government grants	17	95.3	124.5
Provisions	16	2,272.4	2,189.8
		9,048.8	8,500.2
		11,912.9	12,032.7
		26,611.2	26,646.6
Total liabilities			
Total equity and liabilities			
Summary of material 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

Rajeev K Saxena
Partner
Membership No.: 077974

Place: Gurugram
Date: 29 May 2024

Anil Kumar Sharma
Chief Financial Officer

Rajesh Relan
Company Secretary

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

Jyoti Narang
Chairperson
DIN: 00351187

Joydeep Mukherjee
Managing Director
DIN: 06648469

Atul Khosla
Director
DIN: 06476856

Vimal Kumar Jain
Director
DIN: 09561918



Statement of profit and loss for the year ended 31 March 2024

Particulars	Notes	31 March 2024 Rs. in Million	31 March 2023 Rs. in Million
Revenue from operations	22	23,657.8	22,381.0
Other income	23	545.2	452.9
Total Income (I)		24,203.0	22,833.9
Expenses			
Cost of raw material consumed	24	4,326.3	4,135.8
(Increase)/decrease in inventories of finished goods and work-in-progress	25	293.7	(125.8)
Employee benefits expense	26	1,526.8	1,330.3
Depreciation and amortization expense	27	1,096.7	1,123.1
Finance costs	28	347.6	460.6
Other expenses	29	14,343.8	14,552.2
Total Expense (II)		21,934.9	21,476.2
Profit before tax (I) - (II)		2,268.1	1,357.7
Tax expenses			
Current tax		671.5	410.7
Deferred tax charge		(80.9)	(44.7)
Total tax expense	18	590.6	366.0
Profit for the year (III)		1,677.5	991.7
Other comprehensive income			
Remeasurement gain/(losses) of net defined benefit plans		(9.1)	12.4
Income tax effect		2.3	(3.1)
Other comprehensive income for the year, net of tax (IV)		(6.8)	9.3
Total comprehensive income for the year, net of tax (III) + (IV)		1,670.7	1,001.0
Earnings per share [nominal value of share Rs 10]			
Basic and diluted	30	7.40	4.38
Summary of material 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

Rajeev K Saxena
Partner
Membership No.: 077974

Place: Gurugram
Date: 29 May 2024

Anil Kumar Sharma
Chief Financial Officer

Rajesh Relan
Company Secretary

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

Jyoti Narang
Chairperson
DIN: 00351187

Joydeep Mukherjee
Managing Director
DIN: 06648469

Atul Khosla
Director
DIN:06476856

Vimal Kumar Jain
Director
DIN: 09561918



Statement of change in equity for the year ended 31 March 2024

a. Equity Share Capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid	Numbers	Rs. in million
At 31 March 2022	226,613,116	2,266.1
At 31 March 2023	226,613,116	2,266.1
At 31 March 2024	226,613,116	2,266.1

Equity shares of Rs. 10 each issued, subscribed and partly paid	Numbers	Rs. in million
At 31 March 2022	18,193	0.1
At 31 March 2023	18,193	0.1
At 31 March 2024	18,193	0.1

b. Other equity:

For the year ended 31 March 2024 (Rs. in million)

Particulars	Other Equity (Refer - Note 13)						Total
	Reserves and Surplus						
	Capital reserve	Capital subsidy reserve	Capital redemption reserve	Securities premium	Retained earnings	Other item of OCI	
As at 1 April 2023	672.8	6.4	159.9	3,707.1	7,818.4	(16.9)	12,347.7
Profit for the year	-	-	-	-	1,677.5	-	1,677.5
Dividend on equity shares	-	-	-	-	(1,586.3)	-	(1,586.3)
Other comprehensive income	-	-	-	-	-	(6.8)	(6.8)
Total comprehensive income	-	-	-	-	91.2	(6.8)	84.4
At 31 March 2024	672.8	6.4	159.9	3,707.1	7,909.6	(23.7)	12,432.1

For the year ended 31 March 2023 (Rs. in million)

Particulars	Other Equity (Refer - Note 13)						Total
	Reserves and Surplus						
	Capital reserve	Capital subsidy reserve	Capital redemption reserve	Securities premium	Retained earnings	Other item of OCI	
As at 1 April 2022	672.8	6.4	159.9	3,707.1	8,866.2	(26.2)	13,386.2
Profit for the year	-	-	-	-	991.7	-	991.7
Dividend on equity shares	-	-	-	-	(2,039.5)	-	(2,039.5)
Other comprehensive income	-	-	-	-	-	9.3	9.3
Total comprehensive income	-	-	-	-	(1,047.8)	9.3	(1,038.5)
At 31 March 2023	672.8	6.4	159.9	3,707.1	7,818.4	(16.9)	12,347.7

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

Place: Gurugram
Date: 29 May 2024

Anil Kumar Sharma
Chief Financial Officer

Rajesh Relan
Company Secretary

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

Jyoti Narang
Chairperson
DIN: 00351187

Joydeep Mukherjee
Managing Director
DIN: 06648469

Atul Khosla
Director
DIN:06476856

Vimal Kumar Jain
Director
DIN: 09561918



Cash flow statement for the year ended 31 March 2024

Particulars	Notes	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Cash flow from operating activities			
Profit before tax		2,268.1	1,357.7
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		1,096.7	1,123.1
Property, plant and equipment written off		2.1	4.4
Profit on sale of property, plant and equipment (net)		(3.8)	(1.0)
Unrealized foreign exchange loss/ (gain)		5.5	13.8
Provision/ liabilities no longer required written back		(25.0)	(17.5)
Government grants		(114.7)	(145.2)
Interest expenses		318.3	433.3
Interest income		(400.1)	(287.4)
Operating profit before working capital changes		3,147.1	2,481.2
Movements in working capital:			
Increase/ (decrease) in trade payables and other payables		452.5	(3.3)
Increase / (decrease) in provisions and gratuity		56.3	(86.2)
Decrease / (increase) in trade receivables		(239.0)	88.7
Decrease / (increase) in inventories		(5.3)	(21.8)
Decrease / (increase) in other current and non-current assets		714.4	241.8
Cash generated from operations		4,126.0	2,700.4
Direct taxes paid (net of refunds)		(630.8)	(439.3)
Net cash flow from operating activities (A)		3,495.2	2,261.1
Cash flows from investing activities			
Purchase of property, plant and equipment including capital work-in- progress and capital advances		(735.2)	(275.8)
Proceeds from sale of property, plant and equipment		5.5	1.3
Purchase of investments		(92.8)	-
Loan repayment from fellow subsidiary		-	1,500.0
Increase in bank balances of unpaid dividend		(8.1)	(6.3)
Increase in other bank balances		(21.4)	(52.4)
Interest received		372.9	277.1
Net cash flow from/(used in) investing activities (B)		(479.1)	1,443.9
Cash flows from financing activities			
Repayments of borrowings		(629.5)	(335.8)
Dividend paid		(1,578.2)	(2,033.2)
Lease repayment		(42.1)	(41.5)
Interest paid		(167.8)	(254.9)
Net cash flow used in financing activities (C)		(2,417.6)	(2,665.4)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)		598.5	1,039.6
Cash and cash equivalents at the beginning of the year		4,729.1	3,689.5
Cash and cash equivalents at the end of the year	9	5,327.6	4,729.1

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 2023	Cash flows	Non Cash changes	31 March 2024
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	1,737.8	(629.5)	142.5	1,250.8
	31 March 2022	Cash flows	Non Cash changes	31 March 2023
	1,902.2	(335.8)	171.4	1,737.8

Summary of material 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

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

Jyoti Narang
Chairperson
DIN: 00351187

Atul Khosla
Director
DIN:06476856

Place: Gurugram
Date: 29 May 2024

Rajesh Relan
Company Secretary

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918



Notes to financial statements for the year ended 31 March 2024

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 changed from 2nd Floor, Plot No. 68, Sector 44, Gurugram, Haryana 122002 to 2nd Floor, Block B, DLF Cyber Greens, DLF Cyber City, Phase III, 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 29 May 2024.

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 material 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 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 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



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.

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) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

k) 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.

l) 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.

m) 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:

Right-of-use assets	Estimated Useful Lives (Years)
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 (k) 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 40).

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.

n) 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.

o) 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.

p) 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.

q) 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 contributed 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.

r) 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.

s) 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.

t) 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.

u) 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 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
Additions	-	8.5	1.8	13.7	336.1	4.0	12.4	173.8	550.3	9.0	9.0
Disposals	-	-	(0.1)	-	(37.0)	(0.1)	(4.6)	-	(41.8)	-	-
Capitalised during the year	-	-	-	-	-	-	-	(385.5)	(385.5)	-	-
At 31 March 2023	118.2	477.4	1,395.8	392.6	20,016.9	114.6	211.2	58.3	22,785.0	66.2	66.2
Additions	-	14.1	1.9	-	224.0	63.9	9.6	544.9	858.4	13.1	13.1
Disposals	-	-	-	-	(8.5)	-	(0.6)	-	(9.1)	-	-
Transfer to assets held for sale	-	-	-	-	(184.9)	-	-	-	(184.9)	-	-
Capitalised during the year	-	-	-	-	-	-	-	(326.6)	(326.6)	-	-
At 31 March 2024	118.2	491.5	1,397.7	392.6	20,047.5	178.5	220.2	276.6	23,122.8	79.3	79.3
Depreciation/ Amortization											
At 1 April 2022	-	126.0	641.5	121.9	5,814.1	60.1	94.9	-	6,858.5	53.8	53.8
Charge for the year	-	18.3	74.6	25.0	943.6	6.4	18.1	-	1,086.0	1.2	1.2
Disposals	-	-	-	-	(32.8)	(0.1)	(4.2)	-	(37.1)	-	-
At 31 March 2023	-	144.3	716.1	146.9	6,724.9	66.4	108.8	-	7,907.4	55.0	55.0
Charge for the year	-	16.6	50.3	25.6	926.2	15.3	18.7	-	1,052.7	3.4	3.4
Disposals	-	-	-	-	(5.0)	-	(0.3)	-	(5.3)	-	-
Transfer to assets held for sale	-	-	-	-	(81.2)	-	-	-	(81.2)	-	-
At 31 March 2024	-	160.9	766.4	172.5	7,564.9	81.7	127.2	-	8,873.6	58.4	58.4
Net book value											
At 31 March 2023	118.2	333.1	679.7	245.7	13,292.0	48.2	102.4	58.3	14,877.6	11.2	11.2
At 31 March 2024	118.2	330.6	631.3	220.1	12,482.6	96.8	93.0	276.6	14,249.2	20.9	20.9

Net book value	31 March 2024	31 March 2023
Property, plant and equipment	13,972.6	14,819.3
Capital work-in-progress	276.6	58.3
Intangible assets	20.9	11.2

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 2024	243.4	13.6	9.9	9.7	276.6
As at 31 March 2023	25.1	13.6	9.1	10.5	58.3

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 2024 Rs. in million	31 March 2023 Rs. in million
Investments in Equity Instruments (fully paid)		
Unquoted equity instruments		
36,36,364 (March 31, 2023: 36,36,364) equity shares of INR. 10/- each fully paid up of Lalganj Power Private Limited ('LLPL') [refer note (i)]	48.0	48.0
92,76,800 (March 31, 2023: Nil) equity shares of INR. 10/- each fully paid up of Continuum MP Windfarm Development Private Limited ('CMWDPL') [refer note (ii)]	92.8	-
Total	140.8	48.0
Current	-	-
Non-current	140.8	48.0

(i) During the year 31 March 2022, the Company has entered into Power Purchase Agreement, Share Subscription Agreement and Shareholders Agreement with Lalganj Power Private Limited ("LLPL") 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) During the year 31 March 2024, the Company has entered into Power Purchase Agreement, Share Subscription Agreement and Shareholders Agreement with Continuum MP Windfarm Development Private Limited ('CMWDPL') on 26 September 2023 for subscribing to 92,76,800 equity shares of INR 10 each constituting 4.57% of the paid-up equity share capital aggregating to Rs. 92.8 million in order to procure around 8MW per annum of Hybrid power (Wind-Solar) under captive arrangement for operating its Narsingarh and Imlai plant located in Madhya Pradesh, India.

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Other financial assets		
Interest accrued on bank deposits	48.8	22.1
Interest accrued on other deposits	2.8	2.3
VAT/SGST incentive receivable (refer note 35)	191.6	795.6
Security Deposit	390.4	408.0
Total	633.6	1,228.0
Current	355.2	918.1
Non-current	278.4	309.9

Break up of financial assets carried at fair value through profit or loss

Investment	140.8	48.0
Total	140.8	48.0

Break up of financial assets carried at amortised cost

Other financial assets	633.6	1,228.0
Trade receivables (note 8)	550.2	311.2
Cash and bank balances (note 9)	5,547.6	4,919.6
Total financial assets carried at amortised cost	6,731.4	6,458.8

6. OTHER NON-CURRENT ASSETS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Capital advances	209.4	10.8
Advance income-tax (net of provision for taxation)	-	31.3
Non Current bank balance	7.9	0.4
Prepaid expenses	185.4	155.6
Total	402.7	198.1



7. INVENTORIES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Raw materials (includes in transit Rs. 2.4 million) (31 March 2023: Rs. 0.5 million)	198.4	219.2
Work-in-progress	418.2	570.2
Finished goods	264.2	405.9
Stores and spares (includes in transit Rs. 99.5 million) (31 March 2023: Rs. 0.9 million)	876.8	557.0
Total inventories valued at lower of cost and net realizable value	1,757.6	1,752.3

8. TRADE RECEIVABLES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Trade receivables	525.9	289.4
Receivables from related parties (refer note 32)	24.3	21.8
Total Trade receivables	550.2	311.2
Break-up for security details:		
Unsecured, considered good	550.2	311.2
Trade receivables - credit impaired	23.4	23.4
	573.6	334.6
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(23.4)	(23.4)
Total trade receivables	550.2	311.2

Trade receivables ageing schedule

As at 31 March 2024

(Rs. in million)

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	436.1	113.2	0.9	-	-	-	550.2
Disputed Trade receivables - credit impaired	-	-	-	-	-	23.4	23.4
	436.1	113.2	0.9	-	-	23.4	573.6

As at 31 March 2023

(Rs. in million)

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	242.3	68.9	-	-	-	-	311.2
Disputed Trade receivables - credit impaired	-	-	-	-	-	23.4	23.4
	242.3	68.9	-	-	-	23.4	334.6

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 2024 Rs. in million	31 March 2023 Rs. in million
Cash and cash equivalents		
Balances with banks:		
- on current accounts	25.3	89.9
- deposits with original maturity of less than three months	5,270.4	4,612.4
Cheques on hand	31.4	26.6
Cash on hand	0.5	0.2
	5,327.6	4,729.1
Bank balances other than Cash and cash equivalents		
Balances with banks:		
- on unpaid dividend accounts*	33.9	25.8
- as margin money deposits against guarantees	186.1	164.7
	220.0	190.5
	5,547.6	4,919.6

* 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 2024 Rs. in million	31 March 2023 Rs. in million
Advances other than capital advances*	504.8	710.9
Prepaid expenses	130.3	104.5
Balances with statutory/ government authorities and others		
- Considered good	2,397.9	2,367.9
- Doubtful	8.2	8.2
GST receivables	63.8	43.5
	3,105.0	3,235.0
Allowances for doubtful advance and deposits	(8.2)	(8.2)
Total	3,096.8	3,226.8

*Advances other than capital advances includes payment to vendors for supply of goods and services.

11. ASSETS HELD FOR SALE

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Plant and equipment	103.7	-
Total	103.7	-

The Company has identified certain assets pertaining to Ammasandra clinker manufacturing facility amounting to Rs. 103.7 million (31 March 2023: Nil) which are available for sale in its present condition. The Company expects to dispose off these assets in the due course.



12. SHARE CAPITAL

	Numbers	Rs. in million	Numbers	Rs. in million
Authorized Share Capital				
At 31 March 2022	230,000,000	2,300.0	5,000,000	500.0
At 31 March 2023	230,000,000	2,300.0	5,000,000	500.0
At 31 March 2024	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 2022	226,613,116	2,266.1
At 31 March 2023	226,613,116	2,266.1
At 31 March 2024	226,613,116	2,266.1
Equity shares of Rs 10 each issued, subscribed and partly paid	Numbers	Rs. in Million
At 31 March 2022	18,193	0.1
At 31 March 2023	18,193	0.1
At 31 March 2024	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

Heidelberg Materials South Asia B.V (formerly Cementum I.B.V), the holding company	Numbers	Rs. in million
At 31 March 2022	157,244,693	1,572.4
At 31 March 2023	157,244,693	1,572.4
At 31 March 2024	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		
Heidelberg Materials South Asia B.V (formerly Cementum I.B.V), the holding company		
At 31 March 2022	157,244,693	69.39%
At 31 March 2023	157,244,693	69.39%
At 31 March 2024	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 2024 is as follows:

Promoter name	As at 31 March 2024		As at 31 March 2023		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Heidelberg Materials South Asia B.V (formerly Cementum 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 2023 is as follows:

Promoter name	As at 31 March 2023		As at 31 March 2022		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Cementum I.B.V	157,244,693	69.39%	157,244,693	69.39%	-
Total	157,244,693	69.39%	157,244,693	69.39%	-

13. OTHER EQUITY

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
A) Retained earnings		
Balance as per last financial statements	7,818.4	8,866.2
Profit for the year	1,677.5	991.7
Less: Appropriations		
Dividend on equity shares (refer note 39)	(1,586.3)	(2,039.5)
Closing balance	7,909.6	7,818.4
B) Remeasurement gain/ (losses) of net defined benefit plans, net of tax		
Balance as per last financial statements	(16.9)	(26.2)
Additions during the year	(6.8)	9.3
Closing balance	(23.7)	(16.9)
C) 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)	12,432.1	12,347.7

Nature and purpose of reserves:

(i) 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.

(ii) 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.

(iii) 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.



14. BORROWINGS

	Maturity	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Non-current borrowings			
From other parties			
Indian rupee loan from a party other than banks (secured) (refer note (a))	2025-2026	556.8	1,108.3
Total non-current borrowings		556.8	1,108.3
Current borrowings			
Indian rupee loan from a party other than banks (secured) (refer note (a))	2024-2025	694.0	629.5
Total current borrowings		694.0	629.5
The above amount includes			
Aggregated secured borrowings		1,250.8	1,737.8
Aggregated unsecured borrowings		-	-
Net amount		1,250.8	1,737.8

(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 2024 and 31 March 2023. As on 31 March 2024, principal amount of such loan is Rs. 1,380.5 million (31 March 2023: Rs. 2,010.0 million).

15. OTHER NON-CURRENT FINANCIAL LIABILITIES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Trade payables	54.3	39.4
	54.3	39.4

16. PROVISIONS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Non-current provisions		
Provision for gratuity (refer note 34)	107.2	114.8
	107.2	114.8
Current provisions		
Provision for income tax	9.6	-
Provision for litigations (refer note 33 (b) (ii))	2,086.5	2,040.1
Provision for leave benefits	73.2	63.8
Provision for gratuity (refer note 34)	70.3	65.1
Provision for mine reclamation expenses (refer note 33 (b) (iii))	32.8	20.8
	2,272.4	2,189.8



17. GOVERNMENT GRANTS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
At 1 April	214.2	359.4
Received during the year	-	-
Released to statement of profit and loss	(114.7)	(145.2)
At 31 March	99.5	214.2
Current	95.3	124.5
Non-current	4.2	89.7

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.

18. INCOME TAX AND DEFERRED TAX LIABILITY

The major components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

Statement of Profit or loss	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Current income tax:		
Current income tax charge (Expense/(Income))	671.5	410.7
Deferred tax:		
Relating to origination and reversal of temporary differences	(80.9)	(44.7)
Income tax expense reported in the statement of profit or loss	590.6	366.0
Other comprehensive income ('OCI'):		
Deferred tax related to items recognised in OCI during the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(2.3)	3.1
Income tax charged to OCI	(2.3)	3.1
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for 31 March 2024 and 31 March 2023	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Accounting profit before income tax	2,268.1	1,357.7
At India's statutory income tax rate of 25.17% (31 March 2023: 25.17%)	570.8	341.7
Non-deductible expenses for tax purposes:		
Corporate social responsibility expenditure	15.7	19.8
Other non-deductible expenses	4.1	4.5
At the effective income tax rate of 26.04% (31 March 2023: 26.96%)	590.6	366.0
Income tax expense reported in the statement of profit and loss	590.6	366.0



	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,140.7	2,195.5
Impact of expenditure allowed for tax purposes on payment basis but not charged to statement of profit & loss	66.1	88.2
Gross deferred tax liabilities	2,206.8	2,283.7
Deferred tax asset		
Impact of expenditure charged to statement of profit and loss but allowable for tax purposes on payment basis	145.5	140.7
Provision for doubtful debts and advances	8.0	8.0
Others	2.8	1.3
Gross deferred tax asset	156.3	150.0
Net deferred tax liability	2,050.5	2,133.7

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.

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Reconciliation of deferred tax liabilities (net)		
Opening balance as of 1 April	2,133.7	2,175.3
Tax (income)/expense during the year recognised in profit or loss	(80.9)	(44.7)
Tax (income)/expense during the year recognised in OCI	(2.3)	3.1
Closing balance as at 31 March	2,050.5	2,133.7

19. TRADE PAYABLES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Trade payables (refer note a)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 41)	24.4	11.9
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,078.1	2,617.7
	3,102.5	2,629.6
Trade payables	2,782.0	2,368.9
Trade payables to related parties (refer note 32 and note d below)	320.4	260.7
	3,102.4	2,629.6

Trade payables Ageing Schedule As at 31 March 2024

	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	24.4	-	-	-	24.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,992.5	11.9	22.2	51.5	3,078.1
	3,016.9	11.9	22.2	51.5	3,102.5



As at 31 March 2023

	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	11.9	-	-	-	11.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,287.7	250.3	23.8	55.9	2,617.7
	2,299.6	250.3	23.8	55.9	2,629.6

20. OTHER CURRENT FINANCIAL LIABILITIES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Trade and other deposits (refer note b and note c)	2,118.9	2,054.8
Unpaid Dividend	33.9	25.8
Payable against purchase of property, plant and equipment	32.6	24.3
	2,185.4	2,104.9

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 32.

Break up of financial liabilities carried at amortised cost

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Lease liabilities (non-current) (note 40)	91.1	46.6
Trade payables (note 19)	3,102.5	2,629.6
Trade payables (note 15)	54.3	39.4
Borrowings (current) (note 14)	694.0	629.5
Lease liabilities (current) (note 40)	28.5	32.3
Other current financial liabilities (note 20)	2,185.4	2,104.9
	6,155.8	5,482.3

Break up of financial liabilities carried at fair value through profit or loss

Borrowings (note 14)	1,250.8	1,108.3
	1,250.8	1,108.3

21. OTHER CURRENT LIABILITIES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Contract liabilities		
Advance from customers	270.2	282.2
Withholding income tax (TDS) payable	111.1	91.4
Goods and Service tax payable	277.3	403.7
Other statutory dues	12.1	12.3
	670.7	789.6



22. REVENUE FROM OPERATIONS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Sale of products		
Cement	22,473.7	21,570.1
Clinker	1,023.1	439.4
	23,496.8	22,009.5
Sale of Services	82.3	81.6
Other operating revenue		
VAT/SGST incentive (refer note 35)	-	190.8
Scrap sales	56.4	88.0
Miscellaneous income	22.3	11.1
	78.7	289.9
	23,657.8	22,381.0

22.1 Disaggregated Revenue Information

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Set out below is the disaggregation of the Company's revenue from contract with customers:		
India	23,655.2	22,378.7
Outside India	2.6	2.3
Total Revenue from operations	23,657.8	22,381.0

22.2 Contract Balances

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Trade receivables (refer Note 8)	550.2	311.2
Contract liabilities (refer Note 21)	270.2	282.2

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the respective years.

22.3 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 2024 and 31 March 2023.

22.4 Sale of products is net of Rs. 1,920.8 million (31 March 2023: Rs. 1,538.0 million) on account of cash discount, rebates and incentives given to customers.

23. OTHER INCOME

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Interest income		
On bank deposits	381.8	169.0
On inter-corporate loan (refer note 32)	-	107.4
Others	18.3	11.0
Government grants	114.7	145.2
Rent	1.6	1.8
Provisions/ liabilities no longer required written back	25.0	17.5
Profit on sale of property, plant and equipment (net)	3.8	1.0
	545.2	452.9

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.



24. COST OF RAW MATERIAL CONSUMED

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Inventory at the beginning of the year	219.2	287.0
Add: Purchases during the year	4,305.5	4,068.0
	4,524.7	4,355.0
Less: Inventory at the end of the year	(198.4)	(219.2)
Cost of raw material consumed	4,326.3	4,135.8

25. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Inventories at the end of the year		
Work-in-progress	418.2	570.2
Finished goods	264.2	405.9
	682.4	976.1
Less: Inventories at the beginning of the year		
Work-in-progress	570.2	563.2
Finished goods	405.9	287.1
	976.1	850.3
	293.7	(125.8)

26. EMPLOYEE BENEFIT EXPENSE

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Salary, wages and bonus	1,345.2	1,153.8
Contribution to provident and other funds	72.7	67.4
Gratuity expense (refer note 34)	30.3	33.6
Staff welfare expenses	78.6	75.5
	1,526.8	1,330.3

27. DEPRECIATION AND AMORTIZATION EXPENSE

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Depreciation of Property, plant and equipment (note 3)	1,052.7	1,086.0
Amortization of intangible assets (note 4)	3.4	1.2
Depreciation of Right-of-use assets (note 40)	40.6	35.9
	1,096.7	1,123.1

28. FINANCE COSTS

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Interest:		
On borrowings from others	142.5	171.4
On lease liabilities (refer note 40)	8.0	6.7
Others	167.8	255.2
Bank charges	29.3	27.3
	347.6	460.6



29. OTHER EXPENSES

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Consumption of stores and spares	889.3	957.2
Freight and forwarding	3,500.2	3,116.1
Power and fuel	6,697.2	7,726.3
Rent	31.4	28.5
Repairs and maintenance		
- Buildings	118.2	102.9
- Plant and machinery	320.3	244.6
- Others	6.1	5.5
Insurance	64.0	62.9
Rates and taxes	486.1	448.8
Travelling expenses	84.1	78.3
Directors fees	4.3	3.7
Payment to auditor		
As auditor:		
- Audit fees	4.2	4.2
- Tax audit fees	0.3	0.3
- Limited reviews	1.2	1.2
- Reimbursement of expenses	0.2	0.3
Legal and professional expenses	111.9	39.4
License fees	202.7	176.0
Printing and stationery	6.8	6.4
IT and Business Support charges	200.7	168.7
Advertisement and publicity expenses	402.9	231.6
Cement handling expenses	964.2	897.4
Property, plant and equipment written off	2.1	4.4
Loss on foreign currency transactions	5.5	15.0
Corporate social responsibility expenses (note 36)	62.4	78.5
Miscellaneous expenses	177.5	154.0
	14,343.8	14,552.2

30. EARNINGS PER SHARE (EPS)

	31 March 2024 Rs. in million	31 March 2023 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	1,677.5	991.7
Net profit for calculation of basic /Diluted EPS	1,677.5	991.7
	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	7.40	4.38



31. 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 34.

(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.



32. 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	Heidelberg Materials AG (formerly HeidelbergCement AG)
Holding company	Heidelberg Materials South Asia B.V. (formerly Cementum I.B.V)
II. Related Parties with whom transaction have taken place	
Fellow subsidiary	Zuari Cement Limited
Key management personnel	<p>Mr. Joydeep Mukherjee (Managing Director w.e.f. 1 April 2023)</p> <p>Mr. Jamshed Naval Cooper, Managing Director (until 31 March 2023)</p> <p>Mr. Vimal Kumar Jain, Whole Time Director (w.e.f 10 June 2022)</p> <p>Mr. Sushil Kumar Tiwari, Whole Time Director (until 09 June 2022)</p> <p>Ms. Soek Peng Sim, Non-Executive Director</p> <p>Mr. Kevin Gerard Gluskie, Non-Executive Director (until 13 March 2024)</p> <p>Mr. Roberto Callieri, Non-Executive Director (w.e.f 14 March 2024)</p> <p>Mr. Ramakrishnan Ramamurthy, Independent Director (until 11 February 2024)</p> <p>Mr. Atul Khosla, Independent Director (w.e.f 12 January 2024)</p> <p>Mrs. Jyoti Narang, Independent Director</p> <p>Mr. Anil Kumar Sharma, Chief Financial Officer</p> <p>Mr. Rajesh Relan, Company Secretary</p>

(b) Related party transactions

Note 32 (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 Subsidiary	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Transactions with Heidelberg Materials South Asia B.V.:				
- Dividend paid	1,100.7	1,415.2	-	-
Transactions with Heidelberg Materials AG:				
- License Fees	202.7	176.0	-	-
- Group overhead recharge	35.4	30.6	-	-
- End-user workstation and other IT charges	147.2	124.7	-	-
- Support service income	3.0	2.8	-	-
Transactions with Zuari Cement Limited				
- Purchase of Clinker	-	-	179.0	210.2
- Sales of Scrap	-	-	1.9	-
- Support service income	-	-	94.1	93.6
- Interest income on Loan	-	-	-	107.4

- Note:** 1. All the transactions are inclusive of tax and duty, wherever applicable.
2. End-user workstation and other IT charges includes Rs. 1.0 million (31 March 2023: Rs. 2.3 million) capitalised in the books.



Balance outstanding at the year ended:

(Rs. in million)

Particulars	Enterprises where controls exists		Fellow Subsidiary	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Payable				
- Heidelberg Materials AG	317.0	256.3	-	-
- Zuari Cement Limited	-	-	3.4	4.4
Receivable				
- Zuari Cement Limited	-	-	23.6	21.1
- Heidelberg Materials AG	0.7	0.7	-	-

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 is as under:

	31 March 2024 Rs. in million	31 March 2023 Rs. in million
Short-term employee benefits	58.4	52.9
Post employment benefits	3.3	8.6
Director Sitting fees	4.3	3.7
Total compensation paid to key management personnel	66.0	65.2

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.

33. 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. 473.0 million (31 March 2023: Rs. 40.8 million).

b) Contingencies and Provision for litigations**i) Contingent liabilities not provided for**

Particulars	31 March 2024 Rs. in million	31 March 2023 Rs. in million
(a) Claims against the company not acknowledged as debt	128.6	97.0
(b) Other money for which the company is contingently liable:		
- Excise Duty/ Service Tax/ CENVAT Credit	41.2	43.0
- Sales Tax/ Trade Tax/ Entry Tax	84.9	84.9
Total	254.7	224.9

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 2023	Additions during the year	Amounts reversed/ paid during the year	Balance as on 31 March 2024
Trade Tax/Sales Tax/VAT	42.0 (45.0)	- (-)	- (3.0)	42.0 (42.0)
Entry Tax	1,507.7 (1,507.7)	- (-)	- (-)	1,507.7 (1,507.7)
Provision taken for Cess on Captive Power	86.8 (86.8)	- (-)	- (-)	86.8 (86.8)
Rural Infrastructure and Road Development tax, Madhya Pradesh	285.3 (260.9)	27.6 (24.4)	- (-)	312.9 (285.3)
Environment protection fees, Karnataka	14.5 (14.5)	- (-)	- (-)	14.5 (14.5)
Other Litigations	103.8 (187.0)	18.8 (57.3)	- (140.5)	122.6 (103.8)
TOTAL	2,040.1 (2,101.9)	46.4 (81.7)	- (143.5)	2,086.5 (2,040.1)

Note: Figures in brackets are for the previous year.

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 2024 Rs. in million	31 March 2023 Rs. in million
Opening provision	20.8	8.8
Add: Provision made during the year	12.0	12.0
Less: Provision utilised during the year	-	-
Closing provision	32.8	20.8

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.



34.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 2024	31 March 2023
Current service cost	19.6	20.7
Interest cost on benefit obligation	21.0	20.0
Expected return on plan assets	(10.3)	(7.1)
Defined benefit cost included in Statement of Profit & Loss	30.3	33.6

(Rs. in million)

Particulars	31 March 2024	31 March 2023
Remeasurement recognised in other comprehensive income		
- Changes in financial assumptions	1.4	(11.3)
- Change in experience adjustments	6.6	3.9
- (Return) on plan asset (excluding interest income)	1.1	(5.0)
Amount recognised in OCI	9.1	(12.4)



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 2024	31 March 2023
Balance at the beginning of the year	320.5	339.2
Current service cost	19.6	20.7
Interest cost on benefit obligation	21.0	20.0
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	1.4	(11.3)
- experience adjustments	6.6	3.9
Benefit paid	(43.8)	(52.0)
Balance at the end of the year	325.3	320.5

Reconciliation of the present value of plan assets

(Rs. in million)

Particulars	Gratuity	
	31 March 2024	31 March 2023
Balance at the beginning of the year	140.6	108.7
Expected return	10.3	7.1
Contribution by employer	41.8	71.8
Return on plan assets recognised in other comprehensive income	(1.1)	5.0
Benefits paid	(43.8)	(52.0)
Balance at the end of the year	147.8	140.6

Details of Provision for gratuity

(Rs. in million)

Particulars	Gratuity	
	31 March 2024	31 March 2023
Present value of defined benefit obligation	325.3	320.5
Present value of plan assets	(147.8)	(140.6)
Net defined benefit liability	177.5	179.9

(iii) Plan assets

The major categories of plan assets of the fair value of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
	(%)	(%)
Investments with insurer	97.56	96.38
Investments in government bonds	0.06	0.06
Bank balance	2.38	3.56
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 2024	31 March 2023
Discount rate	7.20%	7.30%
Salary increase rate	7.50%	7.50%
Attrition rate	8.00%	8.00%

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 2024	31 March 2023	31 March 2024	31 March 2023
Assumptions				
Discount rate	0.5%	0.5%	(6.8)	(6.6)
	-0.5%	-0.5%	7.1	7.0
Future salary increases	0.5%	0.5%	6.3	6.2
	-0.5%	-0.5%	(6.0)	(5.9)

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 2024	31 March 2023
Within the next 12 months (next annual reporting period)	70.3	65.1
Between 2 and 5 years	211.9	216.3
Beyond 5 years	168.0	168.0

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (31 March 2023: 5 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, 2024 and 31 March, 2023 respectively.



The details of the fund and plan assets position are as follows:

(Rs. in million)

Particulars	31 March 2024	31 March 2023
Plan assets at year end, at fair value	331.5	304.4
Present value of defined obligation at year end	251.0	229.0
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 2024	31 March 2023
Discount rate	7.20%	7.30%
Expected guaranteed interest rate	8.25%	8.15%
Expected Rate of Return on Asset	8.10%	8.17%

(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 2024	31 March 2023
Provident Fund	56.5	52.2
Other Post Employment Funds	10.7	9.4
Total	67.2	61.6

35. 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. Accordingly, the SGST incentives amounting to Rs. 190.8 million have been accrued for the period from 1 April 2022 to 17 February 2023 (i.e till the last date of entitlement) under the head 'other operating revenue'.

36. 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. 57.5 million (31 March 2023: Rs. 75.0 million).

b) Amount spent during the year ended on 31 March 2024

(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	62.4	-	62.4
Total	62.4	-	62.4

c) Amount spent during the year ended on 31 March 2023

(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	78.5	-	78.5
Total	78.5	-	78.5



37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

- credit risk (see 37(ii));
- liquidity risk (see 37 (iii)); and
- market risk (see 37(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 counterparty 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 counterparty.

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 counterparty 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 0.10% (31 March 2023: 0.02%) and in receivables 4.01% (31 March 2023: 1.25%).

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 counterparties 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 50% of the Company's debt will mature in less than one year at 31 March 2024 (31 March 2023: 31%) 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.



(Rs. in million)

	Less than one year	1 to 5 years	> 5 years	Total
Year ended 31 March 2024				
Borrowings*	693.9	686.6	-	1,380.5
Other financial liabilities	2,185.4	54.3	-	2,239.7
Lease Liabilities	28.5	72.9	18.2	119.6
Trade and other payables	3,102.5	-	-	3,102.5
	6,010.3	813.8	18.2	6,842.3
Year ended 31 March 2023				
Borrowings*	629.5	1,380.5	-	2,010.0
Other financial liabilities	2,104.9	39.4	-	2,144.3
Lease Liabilities	32.3	27.4	19.2	78.9
Trade and other payables	2,629.6	-	-	2,629.6
	5,396.3	1,447.3	19.2	6,862.8

*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 2024			31 March 2023		
		Amount in foreign currency	Exchange Rate	Rs. in million	Amount in foreign currency	Exchange Rate	Rs. in million
Trade Payables	USD	2,398.0	83.29	0.2	13,841.3	82.55	1.1
	EUR	3,451,647.6	89.87	310.2	2,271,727.2	89.47	203.3
Trade Receivable	EUR	385,324.0	89.87	34.6	7,865.0	89.47	0.7

Foreign currency sensitivity on unhedged exposure:

1% increase in foreign exchange rates will have the following impact on profit before tax:

Particulars	31 March 2024	31 March 2023
USD	(0.00)	(0.01)
EUR	(2.76)	(2.03)

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.

38. 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		31 March 2024	31 March 2023
			(Rs. in million)
Borrowings (Non-current and Current)		1,250.8	1,737.8
Government grants (Non-current and Current)		99.5	214.2
Less: Cash and cash equivalents		(5,327.6)	(4,729.1)
Net debt	(A)	(3,977.3)	(2,777.1)
Total Equity Capital	(B)	14,698.3	14,613.9
Capital and net debt	(C) = (A) + (B)	10,721.0	11,836.8
Gearing ratio	(D) = (A)/(C)	(37.10)	(23.46)

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 2024 and 31 March 2023.

39. DIVIDEND PAID AND PROPOSED

Particulars	31 March 2024	31 March 2023
		(Rs. in million)
Dividend declared and paid during the year:		
Final Dividend for the year ended on 31 March 2023: Rs. 7 per share (31 March 2022: Rs 9 per share)	1,586.3	2,039.5
	1,586.3	2,039.5
Proposed Dividends on equity shares:		
Proposed dividend for the year ended on 31 March 2024 Rs. 8 per share (31 March 2023: Rs 7 per share)	1,812.9	1,586.3
	1,812.9	1,586.3

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.



40. LEASES

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(Rs. in million)

Particulars	Land & Buildings	Vehicles	Total
Right-of-use Assets			
At 1 April 2022	97.9	102.5	200.4
Additions	3.0	25.8	28.8
Disposals	(0.9)	-	(0.9)
At 31 March 2023	100.0	128.3	228.3
Additions	72.6	2.2	74.8
Disposals	-	-	-
At 31 March 2024	172.6	130.5	303.1
Depreciation/ Amortization			
At 1 April 2022	35.1	84.0	119.1
Depreciation Expenses	20.9	15.0	35.9
Disposals	(0.6)	-	(0.6)
At 31 March 2023	55.4	99.0	154.4
Depreciation Expenses	27.0	13.6	40.6
Disposals	-	-	-
At 31 March 2024	82.4	112.6	195.0
Net book value			
At 31 March 2023	44.6	29.3	73.8
At 31 March 2024	90.2	17.9	108.1

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease Liabilities

(Rs. in million)

Particulars	31 March 2024	31 March 2023
At 1 April	78.9	85.3
Additions	74.8	28.8
Deletion	-	(0.3)
Accretion of interest	8.0	6.7
Payments	(42.1)	(41.6)
At 31 March	119.6	78.9
Current	28.5	32.3
Non-Current	91.1	46.6

The maturity analysis of lease liabilities are disclosed in Note 37.

The effective interest rate for lease liabilities is in the range of 5.54% to 8.82%, with maturity between 2024-2087.

The following are the amounts recognized in profit or loss:

(Rs. in million)

Particulars	31 March 2024	31 March 2023
Depreciation expense of right-of-use assets	40.6	35.9
Interest expense on lease liabilities	8.0	6.7
Variable lease payments (included in other expenses)	31.4	28.5



41. 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 2024	31 March 2023
(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)	24.4	11.9
	- 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.	-	-

42. 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.

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 31 March 2024 and 31 March 2023:

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	% change
Current ratio (in times)	Current Assets	Current Liabilities	1.26	1.31	-3.7%
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.09	0.12	-28.4%
Debt Service Coverage ratio (in times)	Earnings before Depreciation, Finance cost and Tax	Interest on long term debt + Principal repayment within next 12 months	4.44	3.67	20.9%
Return on Equity ratio (%)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	11.4%	6.6%	4.9%
Inventory Turnover ratio (in days)	Cost of goods sold	Average Inventory	8.03	8.17	-1.7%
Trade Receivable Turnover Ratio (in days)	Revenue from operation (incl. GST)	Average Trade Receivable	5.21	4.59	13.5%
Trade Payable Turnover Ratio (in days)	Total Operating Cost (incl. GST)	Average Trade Payables	39.68	38.24	3.8%
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	9.98	8.41	18.7%
Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	7.11%	4.49%	2.6%
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	14.4%	9.8%	4.6%
Return on Investment (%)	Interest (Finance Income)	Investment = Loan + Interest bearing security deposit	6.6%	6.5%	0.0%

Notes: The Company's Debt Service Coverage ratio and Net Capital Turnover Ratio improved mainly on account of reduction in the debt repayments during the year.

45. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

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

Place: Gurugram
Date: 29 May 2024

Anil Kumar Sharma
Chief Financial Officer

Rajesh Relan
Company Secretary

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

Jyoti Narang
Chairperson
DIN: 00351187

Joydeep Mukherjee
Managing Director
DIN: 06648469

Atul Khosla
Director
DIN:06476856

Vimal Kumar Jain
Director
DIN: 09561918



HeidelbergCement India Limited

CIN: L26942HR1958FLC042301

Regd. Office: 2nd Floor, Block-B, DLF Cyber Greens, DLF Cyber City, Phase-III, 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 65th Annual General Meeting of the Members of the Company will be held at 11:00 A.M. on Wednesday, 25 September 2024 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 2024, 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 INR 8 per Equity Share of INR 10 each (i.e., 80%) for the financial year ended 31 March 2024, as recommended by the Board of Directors at its meeting held on 29 May 2024, be and is hereby declared.

RESOLVED FURTHER that in accordance with the provisions of Companies (Declaration and Payment of Dividend) Rules, 2014, an amount of INR 135.4 million be withdrawn from the accumulated profits/free reserves of past financial years and the same be utilised for the purpose of declaration and payment of dividend for the financial year ended 31 March 2024".

3. To appoint a Director in place of Mr. Vimal Kumar Jain, 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. Vimal Kumar Jain (holding DIN 09561918) who retires in accordance with the provisions of the Companies Act, 2013 and has offered himself for reappointment be and is hereby reappointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

4. 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 2024-25, amounting to Rs. 2,75,000 (Rupees Two Lac Seventy Five 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: 31 July 2024

Place: Gurugram

Ravi Arora

Vice President-Corporate Affairs
& Company Secretary

Regd. Office: 2nd Floor, Block-B,
DLF Cyber Greens, DLF Cyber City, Phase-III,
Gurugram, Haryana - 122002
CIN: L26942HR1958FLC042301



NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General circular dated 25 September 2023 which is in continuation of 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 09 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. 09/2023 dated 25 September 2023, MCA Circular No. 11/2022 dated 28 December 2022, MCA Circular No. 2/2022 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. The 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., 18 September 2024. 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., 18 September 2024. 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), FY2020-21, FY2021-22 and FY2022-23. The concerned shareholders may approach Registrars and Transfer Agents (RTA), Integrated Registry Management Services Private Limited to claim the same.
- (f) The Shareholders whose dividend for FY2016-17 have remained unclaimed and has not claimed the same for seven consecutive years, the unclaimed dividend along with its underlying shares will be transferred to Investor Education and Protection fund (IEPF) Authority. The due date for transfer unclaimed dividend and the underlying shares is 28 October 2024. Those shareholders who still have not claimed their dividend for FY2016-17 are requested to check the status from the company's website on www.mycemco.com and accordingly file their claims to their unclaimed dividends.
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 & 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 08 June 2018 & 30 November 2018 amended Regulation 40 of SEBI Listing Regulations, which provides that from 01 April 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 07 September 2020 had fixed 31 March 2021 as cut-off date for re-lodgment 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 07 October 2023 read with circular dated 05 May 2020 and 13 May 2022, Notice of the AGM along with the Annual Report 2023-24 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 2023-24 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. 01 April 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 18 September 2024. **Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at such higher rate as may be prescribed by Income Tax department.**

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 18 September 2024.

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/2023/37 dated 16 March 2023.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> Name and Branch of the Bank in which you wish to receive the dividend, The Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solution, 9 digit MICR Code Number, 11 digit IFSC Code, and 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 65th 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 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 22 September 2024 (9:00 A.M.) and ends on 24 September 2024 (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 18 September 2024, 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.

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"> 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 or casting your vote during the e-Voting period. 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 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 e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.  <ol style="list-style-type: none"> 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. 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. If the user is not registered for Easi/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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	<p>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.</p>

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.: 022- 4886 7000 and 022- 2499 7000
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 toll free no. 1800 22 55 33



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:

- a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.

- b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d) 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?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.



5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. 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.
3. 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.
4. 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

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) may send a 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.
2. 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.
3. 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.: 022- 4886 7000 and 022- 2499 7000 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:

1. 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.

2. 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 18 September 2024.

- 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., 18 September 2024, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or contact NSDL at.: 022- 4886 7000 and 022- 2499 7000.

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: 022- 4886 7000 and 022- 2499 7000.

- 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. Mohit Bansal, Company Secretary in Whole-time Practice (FCS No. 11292, CP No. 16860) 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 Chairman 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 Chairman or a person authorized by the Board of Directors/Chairman. 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. Member will be provided with a facility to attend the 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.
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

The Board of Directors of the Company on the recommendation of the Audit Committee, has 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 2024-25.

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 2024-25 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. 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.

By Order of the Board

Date: 31 July 2024

Place: Gurugram

Ravi Arora

Vice President-Corporate Affairs

& Company Secretary

Regd. Office: 2nd Floor, Block-B,
DLF Cyber Greens, DLF Cyber City, Phase-III,
Gurugram, Haryana - 122002
CIN: L26942HR1958FLC042301



Details of Director seeking reappointment 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. Vimal Kumar Jain
DIN	09561918
Brief Resume	<p>Mr. Vimal Kumar Jain, aged 56 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 32 years, consisting of 19 years abroad and 13 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	12 January 1968
Date of First Appointment on the Board	10 June 2022
Expertise in specific functional area(s)	He has a rich experience of over 32 years in the Cement sector in Operations & Maintenance and Project Management.
Qualifications	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
Terms and Conditions of Appointment	Appointed as Whole-Time Director liable to retire by rotation.
Managerial Remuneration last drawn	Rs. 2,22,29,794/- for FY24.
Remuneration proposed to be paid	Already approved by the Shareholders at the AGM held on 08 September 2022.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any other Director or Key Managerial Personnel of the Company.
No. of Board meetings attended during FY24	Attended all the board meetings held during FY24.
Directorships held in other Indian public limited companies	Non-Executive Director in Zuari Cement Limited.
Listed Indian companies from which the person has resigned in the past three years	Nil
Position of Chairperson / Member in the Committees of Directors of other public limited companies in which he is a Director	Member of CSR Committee of Zuari Cement Limited.



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REGISTERED OFFICE

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