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Website : www.shreecement.com

SHREE CEMENT LTD.

An ISO 9001, 14001, 50001 & OHS 18001 Certified Company

Regd. Office:
BANGUR NAGAR, POST BOX NO.33, BEAWAR 305901, RAJASTHAN, INDIA

SCL/BWR/SE/2024-25/
12th July, 2024

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra – Kurla Complex, Bandra (East)
MUMBAI – 400 051
SCRIP CODE: SHREECEM EQ
Debt Segment NCD ISIN: INE070A07061

BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
MUMBAI – 400 001
SCRIP CODE 500387
Debt Segment NCD ISIN: INE070A07061

Sub:- Notice of the 45th Annual General Meeting and Annual Report for the Financial Year 2023-24

Dear Sirs,

In terms of the provisions of Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Notice of the 45th Annual General Meeting of the Company to be held on Tuesday, 6th August, 2024 at "Rangmanch Auditorium", Bangur Nagar, Beawar - 305 901, Rajasthan at 11:30 A.M. (IST) along with the Annual Report of the Company for the financial year 2023-24.

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), the Company has fixed Tuesday, 30th July, 2024 as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting and voting during the AGM.

Kindly take the same on record.

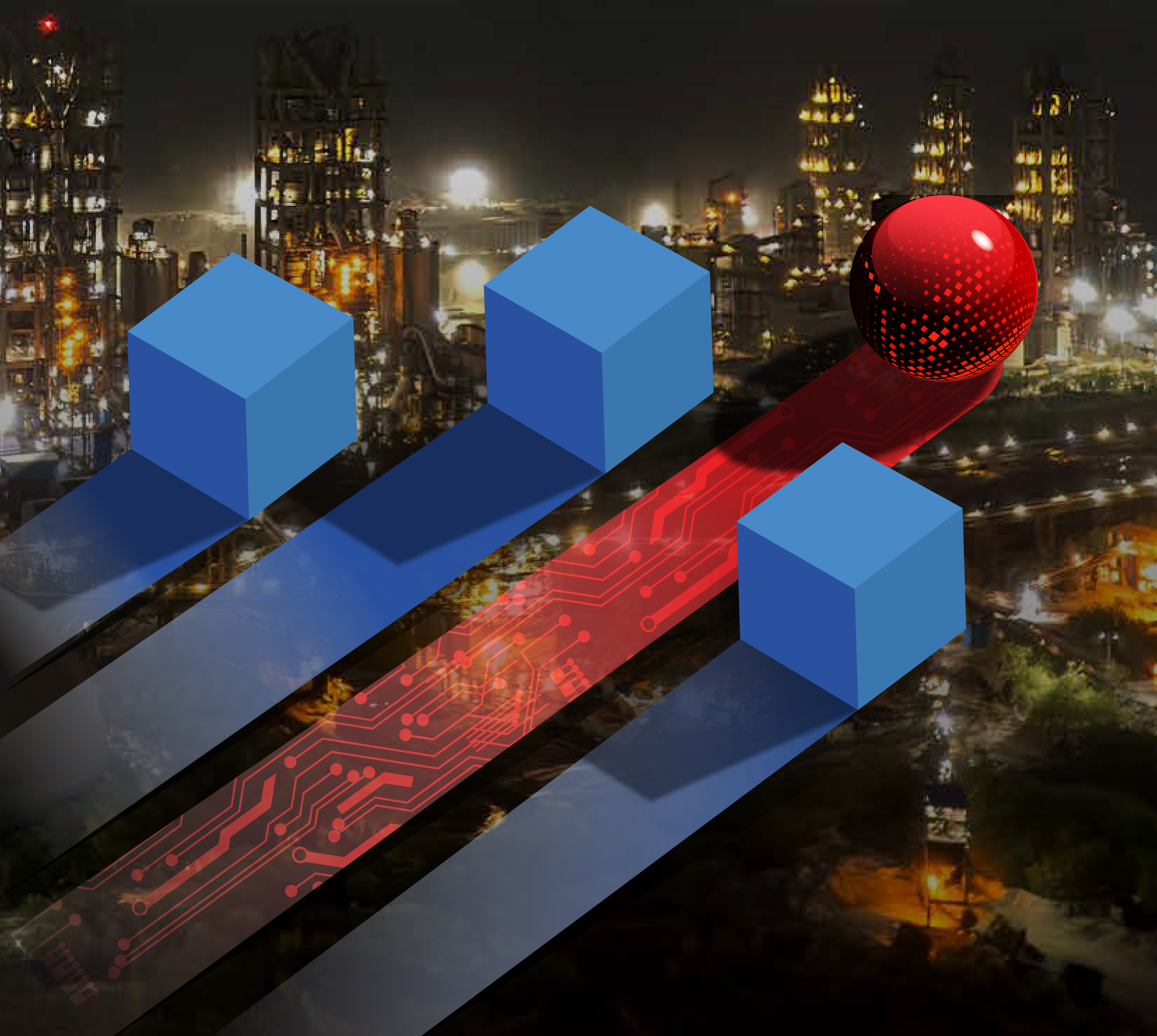
Thank you.

Yours faithfully,
For **SHREE CEMENT LIMITED**
SHYAM SUNDER KHANDELWAL
Digitally signed by SHYAM SUNDER KHANDELWAL
Date: 2024.07.12 17:21:05 +05'30'
(**S.S. KHANDELWAL**)
COMPANY SECRETARY

Integrated
Annual Report
2023-24

Shree Cement

BUILD SMART



BUILD SMART

In today's frenetic business environment, rife with hyper-competition and market volatility, the journey of building an enduring enterprise is long-term and non-linear. In order to stay ahead of the curve, it is imperative to embrace innovation continuously and adopt the latest technology while being financial prudent and keeping customer-centricity top of mind.

As an organization, we have always strived to stay ahead of the curve and kept continuous experimentation, improvements and innovations a way of life. Following our philosophy, we believe in adapting to latest technologies and inventions globally for learning from the best, and therefore, creating the best. In this journey of continuous learning and adaptation, we have stayed focused on our customers' values, their changing needs and aspirations. Our customers are our raison d'être, and we are grateful for their allyship in our growth story over the years. Keeping their interests in mind, we have shaped the most high-quality products while maintaining affordability – and it is this combination that has helped us retain their trust and support.

Today, in the face of intensifying competition, rapidly changing technological advancements, rising customers' expectations and devolving climate crisis, businesses are hard pressed to rapidly build unique capabilities, critical frameworks, and adopt future-proof strategies to ward off the mounting multifarious challenges. It is at this critical juncture that we, at Shree, have re-energised ourselves and adopted a philosophy we call 'Build Smart' – an ethos that weaves a tapestry of our anchorage in the wisdom of our values, our growth ambitions, our aspirations to magnify our contribution to the nation's progress – along with the will to embrace modern tools, technologies, and inventions that will enable us to be future-ready.

'Build Smart', as the phrase suggests, is about building an organisation in a sustainable, resilient, and intelligent manner – one that is customer focused, resource-conscious, energy-efficient, technology-friendly and committed to zero waste to landfill. It is in this spirit of sustainable development, 'Build Smart' symbolises our commitment to enable lateral thinking, creativity, and out-of-the-box ideas – for our employees to continuously upskill, stay abreast of global developments and innovation, while delivering value to our customers, and helping us to achieve our growth ambitions with our desire to make meaningful contributions to country's future.

"Build Smart" therefore – as a philosophy and motto – echoes the notion of creating a future that is sturdy, agile, innovative, sustainable, and resilient to headwinds. Our tagline underlies the wisdom of our culture and traditions, while embracing the new technologies and ideas of tomorrow, that will help us 'Build Smart' today. It will also help our customers make smart choices to make smart houses and in turn smart cities, and a smart nation.

About the Report

This report, themed "Build Smart" ('the Report') is third in the series of our Integrated Annual Reports. The Report outlines our objectives, initiatives and strategies underscoring our dedication to sustainable value creation. Aligned with the International Financial Reporting Standards (IFRS) Foundation's Integrated Reporting (<IR>) framework for non-financial reporting, the Report transcends traditional financial metrics to present a holistic view of value creation encompassing Environmental, Social and Governance dimension.

The Report discloses our performance across various essential capitals. These include financial, manufactured, intellectual, natural, human, and social and relationship capitals. We understand the interdependence of these capitals and our contribution to each of them in our sustainable journey.

This Report presents our performance while also addressing the risks and opportunities we encountered. To ensure the Report's clarity, reliability, and accuracy, it has also been reviewed by the Company's senior management.

Reporting Principle

The Report is developed in alignment with the International Integrated Reporting Framework (January 2021) of International Integrated Reporting Council (IIRC). The non-financial disclosures are reported in accordance with the Global Reporting Initiative (GRI) 2021 Standards. The Report is also aligned with United Nations Global Compact (UNGC) principles, Sustainability Accounting Standards Board (SASB) and United Nations Sustainable Development Goals (UN SDGs). Business Responsibility and Sustainability Report (BRSR) as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also presented as a part of this Report. The financial and statutory data disclosed are as per the requirements of the Companies Act, 2013 (including the rules made thereunder); Indian Accounting Standards; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Secretarial Standards and other provisions of any other applicable Act, Rules and Regulations.

Reporting Period

In this Report, we have documented our performance and progress from 1st April 2023 to 31st March 2024. We follow an integrated reporting approach on an annual basis. The previous integrated annual report was published in July 2023.

Scope and Boundary

The Report encompasses both financial and non-financial information pertaining to our business activities in India across ten grinding unit locations, five integrated plant locations, and Shree Mega Power Plant at Beawar. Furthermore, our consolidated financial statements offer insights into the performance of our subsidiaries, including those having manufacturing operations at Purulia, West Bengal, India and at Ras-Al-Khaimah, United Arab Emirates, as detailed in the statements. Throughout the Report, we have provided historical trends of the data wherever applicable to offer a comprehensive understanding of our operations. In the event of any exclusions, these have been clearly mentioned in the respective sections of the Report.

Restatements for Information

We have recalculated and restated the information wherever applicable for the previous years and disclosed in respective sections.

Independent Assurance

The standalone and consolidated financial statements within our Integrated Annual Report have been audited by our statutory auditors M/s. B.R. Maheswari & Company, Chartered Accountants. Additionally, our non-financial data has been assured by SGS India Pvt. Ltd. adhering to the International Standard on Assurance Engagements (ISAE) 3000 (Revised). The non-financial parameters included as a part of BRSR core are assured at a reasonable level while remaining ESG parameters are assured at a limited level. The independent assurance statement can be found at page number 345 of the Report.

Forward Looking Statement

The Report may include certain assertions regarding the Company's operations and results, which are considered forward-looking statements. These statements are based on industry trends and projections and are subject to change. All statements other than historical facts, performance snapshots, business strategies, mitigation plans, and operational goals fall under this category. The Company does not assume any obligation to update on any forward-looking statement, be it due to new information, future events, or any other reason.

Feedback

We value your feedback, as it helps us in continuously improving our disclosure practices and maintaining transparency. If you have any inquiries or comments concerning our performance or this Report, please feel free to reach out to us at **investor@shreecement.com.** Our previously published Integrated Annual Reports and Sustainability Reports can be accessed on our website **www.shreecement.com.**

Contents

The Rise of Brand 'Bangur'

This transformation is rooted in our core philosophy of 'Build Smart', that encompasses three core ideas: our spirit of innovation, our consumer-centric values and integrating the spirit of Bharat.

Since our beginning in 1985, we have navigated a path of continuous growth and innovation to establish ourselves as a key player in India's cement manufacturing sector. With plants strategically positioned across north, east, west, and southwest regions of the country, we have substantially enhanced our outreach to meet customer demands at a pan-India level.

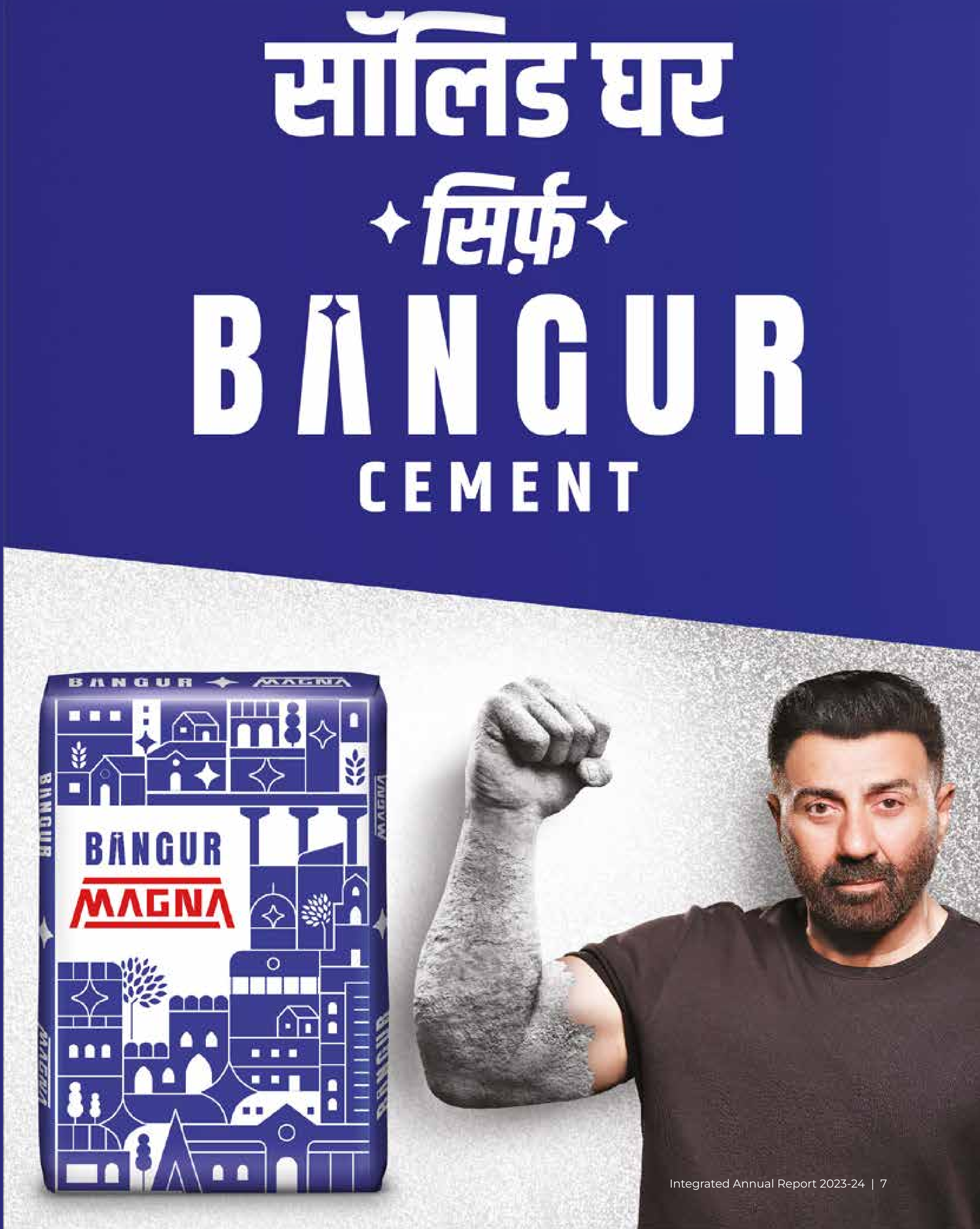
In a landmark moment this year, we undertook a brand overhaul, reshaping our identity – with 'Bangur' taking the helm as our master brand. Our new brand identity reflects our traditional values while unlocking the next wave of growth through brand building. It also signifies a renewed dedication to deliver excellence in the cement industry through cutting-edge technological advancements, while honoring the rich legacy of Shree Cement.

This transformation is rooted in our core philosophy of 'Build Smart', that encompasses three core ideas: our spirit of innovation, our consumer-centric values and integrating the spirit of Bharat.

Our state-of-the-art manufacturing facilities and innovative capabilities have allowed us to manufacture superior quality products while ensuring affordability. Focusing on technological integration and operational efficiency, we have undertaken a suite of digitally driven initiatives to streamline business processes and give a renewed push to drive towards efficiency and productivity. With greater emphasis on customer-value proposition, we aim at enhanced visibility across customer segments: individual, institutional, and public sector. We are redefining how we connect with and serve our diverse customer aspirations through specialised product offerings and dedicated technical services. Moreover, weaving national aspirations into the fabric of our brand identity reflects our renewed commitment towards India's growth story, through greater participation in infrastructure development bolstered by world-class product offerings across segments.

Our journey so far has been full of learnings, achievements, and milestones. We have embarked on a new journey with our same passion and quest for excellence.

Join us as we continue to build a smarter, stronger nation with Bangur Cement.



Shree Cement at a Glance

Building a Smart Future, Taking our tradition forward

Since commencing its operations, Shree Cement grew multifold and is currently one of the top three cement producing groups in India. Customer centricity has always been our focus area and today we have close to four decades of experience in delighting customers.

Snapshot as on 31st March 2024

53.4 MTPA
Total Cement Production Capacity in India#

983 MW
Total power generation capacity in India

480 MW
Total Green Power Capacity in India (including WHR, wind & solar)

11
Number of locations with Cement Grinding Units in India#

05
Number of Integrated Plant locations in India*

06
Ready Mix Concrete units$

as a group including Purulia, West Bengal

$ includes 5 units as per deal signed with StarCrete LLP

* Integrated unit at Guntur, Andhra Pradesh began operations in April 2024 taking the cement capacity to 56.4 MTPA and number of Integrated plant locations in India to 06

A Decade of Continuous Growth

Parameter	FY 2013-14 (Ended on 30th June 2014)	FY 2023-24 (Ended on 31st March 2024)	CAGR
Cement Production Capacity (MTPA)	17.50	53.40	11.80%
Revenue from operations (₹ Crore)	5,887.31	19,585.53	12.77%
Operating Profit (EBITDA) (₹ Crore)	1,574.76	4,924.63	12.08%
Profit After Tax (₹ Crore)	787.24	2,468.44	12.11%
Net Worth (as at year-end) (₹ Crore)	4,710.87	20,384.49	15.78%
Market Capitalisation (as at year-end) (₹ Crore)	25,244.62	92,741.05	13.90%

Our Vision

Lead in creating prosperity and happiness for all stakeholders through innovation and sustainable practices.

As an organisation, we aim to be a blue-chip, green building material solutions company in India with industry leading performance benchmarks via strong brands, leading innovation and best-in-class people. Our vision is to spread happiness amongst everyone connected with our ecosystem and create wealth for all our stakeholders.

Our Guiding Principles

- Enforce good corporate goverance practices
- Encourage integrity of conduct
- Ensure clarity in communication
- Remain accountable to all stakeholders
- Encourage socially responsible behaviour

The Shree Philosophy

At Shree Cement, we believe in the teaching of Rigveda 'आ नो भद्रा: क्रतवो यन्तु विश्वत:' which means ‘Let noble thoughts come to us from all over the World’. We imbibe and extend all noble thoughts across all our functions.

Our ethos make us an organisation that is

- Quality and energy conscious
- Customer responsive
- Socially responsive
- Investor rewarding
- Employee and environment friendly
- Sustainable organisation

Our Values, Our Strengths

Care

Being compassionate towards our communities and our environment

Working together as one family; connect personally with each other

Demonstrating humane touch in the way we work

Dynamism

Prioritising opportunities and challenges to enable swift decision making

Being flexible in our approach to find effective business solutions

Creativity and Innovation

Experimenting with new ideas to improve continuously

Striving to take risk for adding value to the business

Simplify

To extract the essence and keep communication simple

Trust and Support

Believing in each other with mutual respect.

Promoting honest and open communication.

Building an environment of freedom with responsibility

Passion for Efficiency

Ensuring optimum outcomes in everything we do at work

Achieve our targets consistently with minimal costs

Our Product Offerings

As a building material company, our diverse product portfolio enables us to cater to varied and evolving customer needs.

Cement

Our integrated brand portfolio Bangur Cement encompasses our wide range of products while retaining the brand architecture of Jungrodhak, Powermax and Rockstrong. The revamped product names are 'Bangur Rockstrong', 'Bangur Powermax' and 'Bangur Jungrodhak'. With the brand revamping, we proudly introduced our premium product line under 'Bangur Magna'.

PPC | CC

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सॉलिड घर
सिर्फ़
BANGUR
CEMENT

Ready Mix Concrete

During the reporting year, we forayed into manufacturing of Ready-Mix Concrete under the brand of 'Bangur Concrete'.

Aerated Autoclaved Concrete (AAC) Blocks

Green Pro Ecolabel certified Shree Heat Shield AAC blocks are precast building material that offers unique strength, precision, and exceptional thermal insulation properties.

Our Operational Presence

Building Smart Infrastructure across geographies

We manage our operations from our Corporate Office located in Gurugram, Haryana and Group Corporate Office at Kolkata, West Bengal in India. Our operational units including integrated units and cement grinding units are located strategically across India. This has facilitated us to reach a wide array of markets and provide swift service to our customers.

As on 31st March 2024, our Indian operations (including subsidiaries) span across 11 states, covering Bihar, Chhattisgarh, Haryana, Jharkhand, Karnataka, Maharashtra, Odisha, Rajasthan, Uttar Pradesh, Uttarakhand and West Bengal.

In April 2024, we commissioned our integrated cement unit at Guntur, Andhra Pradesh marking our entry in 12th state in India.

Outside India, we operate an integrated cement facility in emirate of Ras Al Khaimah in United Arab Emirates.

	Site	Type of Plant(s)
1	Beawar, Rajasthan, India	Integrated Cement Unit, Thermal Power Plant, WHR Power Plant, Solar Power Plant
2	Jaitaran, Rajasthan, India	Integrated Cement Unit, Thermal Power Plant, WHR Power Plant, Upcoming Plant
3	Baloda Bazar, Chhattisgarh, India	Integrated Cement Unit, Thermal Power Plant, WHR Power Plant, Solar Power Plant, Upcoming Plant
4	Kodla, Karnataka, India	Integrated Cement Unit, WHR Power Plant, Upcoming Plant
5	Nawalgarh, Rajasthan, India	Integrated Cement Unit, WHR Power Plant
6	Guntur, Andhra Pradesh, India*	Integrated Cement Unit, Solar Power Plant
7	Khushkhera, Rajasthan, India	Cement Grinding Unit
8	Suratgarh, Rajasthan, India	Cement Grinding Unit, Solar Power Plant
9	Laksar, Uttarakhand, India	Cement Grinding Unit, Solar Power Plant
10	Jobner, Rajasthan, India	Cement Grinding Unit, Solar Power Plant
11	Aurangabad, Bihar, India	Cement Grinding Unit, Solar Power Plant
12	Panipat, Haryana, India	Cement Grinding Unit, Solar Power Plant
13	Bulandshahr, Uttar Pradesh, India	Cement Grinding Unit
14	Burudih, Saraikela, Jharkhand, India	Cement Grinding Unit, Solar Power Plant
15	Athagarh, Cuttack, Odisha, India	Cement Grinding Unit, Solar Power Plant
16	Patas, Maharashtra, India	Cement Grinding Unit
17	Purulia, West Bengal, India	Cement Grinding Unit
18	Kushtagi, Karnataka, India	Wind Power Plant
19	Basavana Bagewadi, Karnataka, India	Wind Power Plant
20	Jath Sangli, Maharashtra, India	Wind Power Plant
21	Nandurbar, Maharashtra, India	Wind Power Plant
22	Etah, Uttar Pradesh, India	Upcoming Plant
23	Khor Khuwair, Ras Al Khaimah, UAE	Integrated Cement Unit, WHR Power Plant

*Commissioned in April 2024

Integrated Cement Unit

Cement Grinding Unit

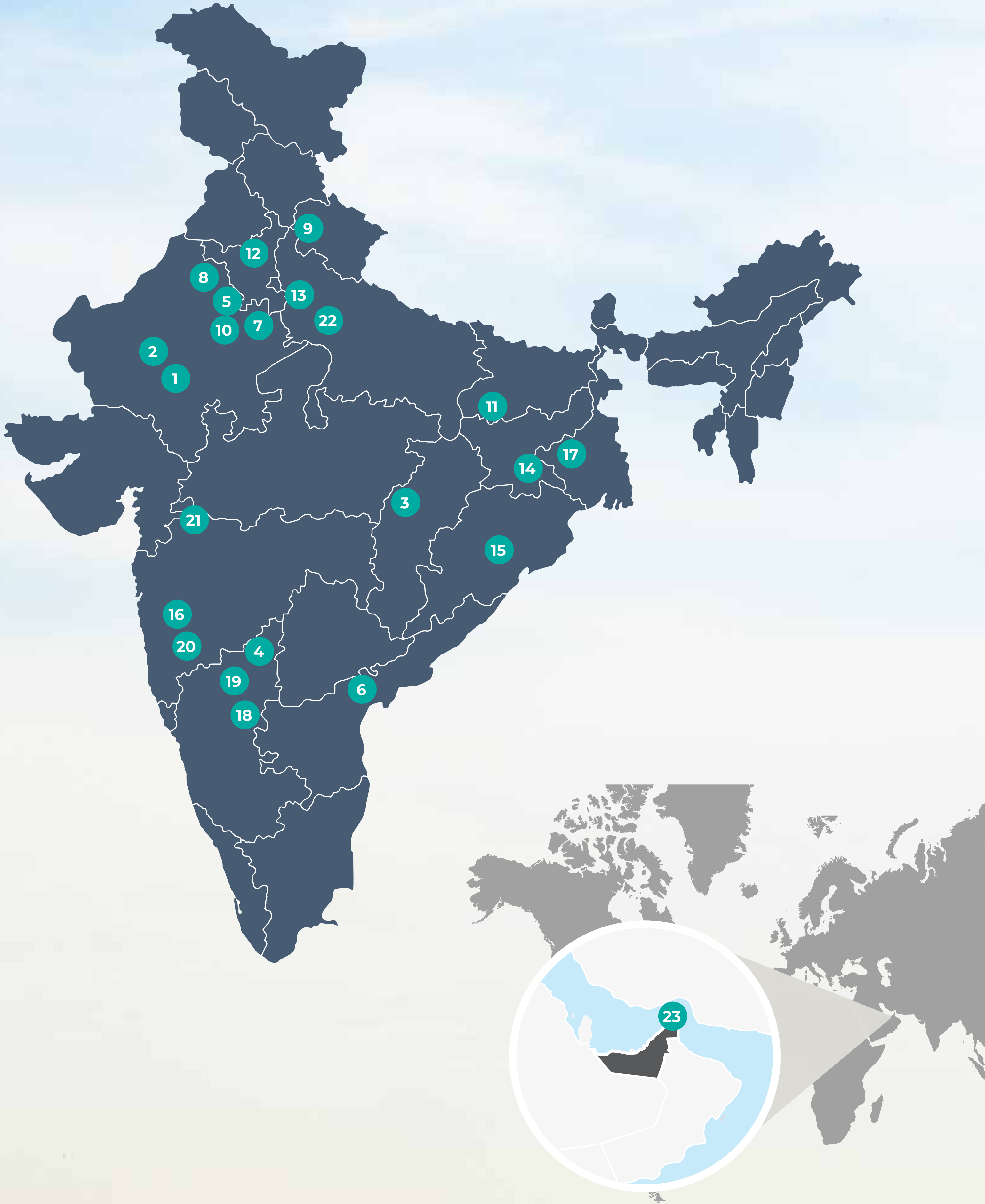
Upcoming Plant

Thermal Power Plant

WHR Power Plant

Wind Power Plant

Solar Power Plant



Maps not to scale and used for representation only.

Chairman Emeritus's insight

Leading with Heart, Guiding with Vision

"You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete."

- Buckminster Fuller,
renowned American architect

As we embark on an exciting journey underlined by our philosophy of "Build Smart", we reaffirm our commitment to our core ethos and strive to continuously evolve. The new approach unlocks the transformative potential of innovation and turns challenges into opportunities by leveraging the best-in-class technology and digitalisation.

Together, let us 'Build Smart'. Let us march ahead, united in purpose, fueled by passion and anchored by our desire to build a better future for generations to come.

B.G. Bangur
Chairman Emeritus

Message from Chairman

Build Smart: Crafting Tomorrow, Today

Artificial intelligence is challenging human intelligence. Customer aspirations are rising. Embracing sustainability is becoming essential for survival. Hence, decision-making must now be both fast and smart. This requires a novel way of working which is what we have termed “Build Smart”.

Dear Stakeholders,

Over the past four decades, we have traversed several journeys in our path to innovation and excellence. When we began this journey, the path forward was far from clear. The landscape of our industry was rife with challenges, as we faced intense competition amid adverse market conditions. There were internal challenges too. However, one thing was clear. We were ready to embrace change as a constant and would continue to innovate, adapt, and grow together as a team. And over the course of the last four decades, we did exactly that. Our never-ending thrust for continual improvement has become our hallmark.

While our core philosophy of continuous improvement and hard work has brought us to where we are today, we are aware of the ever-evolving business landscape that requires us to rapidly adapt – something we have always been adept at. Technological advancements are breaking down barriers. Artificial intelligence is challenging human intelligence. Customer aspirations are rising. Embracing sustainability is becoming essential for survival. Hence, decision-making must now be both fast and smart. This requires a novel way of working which is what we have termed “Build Smart”.

To me, ‘being smart’ means being able to think on one’s feet and demonstrate the ability to approach complex problems with creativity and speed. Our philosophy of “Build Smart”, however, goes one step further - where the culture of innovation and continual improvement is driven by a clear focus on customer centricity and overall sustainable value creation, where the products have a high sustainability footprint, where customers are supported in making the right choices, where advanced IT tools and systems play a key role in decision making and where the entire work culture is geared to make smart choices and contribute to the nation’s growth.

We have always believed that we can stay in the game if we keep our costs in check and keep trying novel solutions to build unique competence, which give us a sustainable and competitive edge. Our drive to greening our energy supply sources has helped us rationalise our costs as well has helped us to score an industry-leading mark of 56% green share in overall electricity consumption. When we were mandated to replace usage of coal in our grinding units in the NCR area, the obvious choice was to opt for using natural gas. Our team brainstormed and found agro-waste as an option. Naturally, there were initial hiccups which were soon ironed out thanks to our collaborative efforts and design thinking. The team then turned this into an opportunity. Today, the majority of our grinding units use agro-waste. This has not only proven to be more economical but also represents a small step from our side towards addressing the issue of stubble-burning. We have, in fact, consumed 1.24 lac tonnes of agro waste in the year 2023-24. There are many more such initiatives which have helped us in terms of better productivity, efficiency, and cost optimisation, while contributing to the overall cause of sustainability.

Our customers are the key drivers of our business and its growth, and we rely on them for their continual feedback so as to stay up to date with their needs and aspirations. We know that the quality of our products and services differentiates us from competition. We also know that the majority of our customers are the ones who build their houses for the first time in their lives. They have high aspirations of building smart houses. Keeping this in view, we set up a separate vertical manned by around 700 people. They provide expert advice and support on product usage based on need and types of construction. This application engineering supports our customers in optimising costs and improving the quality of their houses while creating greater customer value for us, which manifests in higher customer loyalty and engagement. Our new smart digital solution to enhance the business experience of our dealers, distributors, and channel partners has helped us forge stronger ties with them and ultimately with our consumers. We thus contribute to smart housing in a meaningful manner.

Our “Build Smart” approach, with its focus on sustainability and customer-service has a clear link to India’s growth story also. When our processes and equipment, through our smart practices, use less resources, drive more output than their design, and consume more waste materials, we help in ensuring the availability of such resources for future generations of the country. Similarly, through our high-quality products that meet our customers’ aspirations, along with our technical services teams who hand-hold our customers in all their decisions, we contribute to building smart houses, smart infrastructure, smart cities, and ultimately – a smart nation.

“Build Smart” is not just a catchphrase; it is a fundamental principle that drives innovation, productivity and continuous improvement through advanced IT systems and tools. It is about leveraging cutting-edge ideas and newer technological solutions for making faster and smart decisions. We are investing heavily in technology, knowing that digital transformation is essential for our competitive edge and long-term sustainability. However, mere investment in technology and upgrading infrastructure is not in itself sufficient. “Build Smart” also requires strong conviction to move beyond the status quo. Utilising real-time, accurate and relevant information will lead to quicker and more informed decisions. This approach must permeate across our entire organisation, from the bottom to the top, ensuring a seamless and effective transition to the "Build Smart" culture.

As we embark on this exciting journey, I am confident that our "Build Smart" motto will not only transform the way we operate but also set new benchmarks for the entire industry. This guiding principle embodies our vision for the future, emphasising innovation, sustainability, and excellence in every aspect of our work. Together, we will create a future where excellence, sustainability, and innovation are the norm, not the exception.

H.M. Bangur
Chairman

Message from Vice-Chairman

Forging Futures, Shaping Success

Our aspirations are high and the task ahead is daunting. Therefore, we must embrace change, but at a more rapid pace, in sync with developments in our external environment. We have got to “Build Smart”.

Increasingly, the world around us is becoming “smart” – from smartphones and smartwatches to smart meters and smart cities. New start-ups and tech companies are burning the midnight oil to work on newer products and solutions to outsmart each other. In the organisational context, leaders and employees are finding newer ways to build a competitive edge over their peers and deliver high performance. Building a high performing organisation requires people who are talented, skilled, and hard-working. However, as the markets face greater headwinds today and more complexity, hard work and talent by themselves cannot lead to success. We must, therefore, think smart, and “Build Smart” – a philosophy that underlies all our current and upcoming endeavours.

Over the years, our culture of innovation and spirit of continual improvement has enabled us to deliver high performance. However, given the reality of intensifying competition, rising consolidation, and increasing regulation, we have to build smarter and more efficient strategies to maintain our strong market position and brand equity. Moreover, we have chartered out a high growth road map to become a 80 million tonnes capacity company by 2028. We have also forayed into the Ready-Mix Concrete (RMC) business and are working to make it bigger. Simultaneously, we are making substantial investments in digitalising our processes. This means we must enter new markets, hire workforce from diverse backgrounds and cultures, and engage with new business partners. Our aspirations are high and the task ahead is daunting. Therefore, we must embrace change, but at a more rapid pace, in sync with developments in our external environment. We have got to “Build Smart”.

Our “Build Smart” journey began with the launch of “Bangur” as our master brand. While we enjoyed success with our earlier multi-brand strategy, we realised that under the current market conditions, a unified brand would hold more mass appeal. Thus, the idea behind our revamped brand strategy was to combine our multi brands into one master brand while leveraging the value of all our existing brands. The new brand architecture has been designed in such a way that our existing brands continue to be available as different product offerings – all under the banner of our master brand. Today, the segment of customers wanting to buy products with a higher value proposition is rising in the market. Keeping this in view, a new premium offering “Bangur Magna”, with superior quality and distinct packaging, has also been introduced by us. Our new brand strategy has helped us communicate the value that we bring to our customers in a much stronger way. Our products are gaining more visibility today and we are enjoying better brand equity thanks to our “Build Smart” strategy.

The “Build Smart” way of functioning can also help us consolidate our standing in terms of cost leadership. Automation presents a great scope in enhancing our manufacturing excellence right from Mining to Production and Power operations to Logistics operations. For example, with the integration of technology, the sampling operation required for testing of quality of input materials can easily be automated. This can make the whole testing process much faster and eliminate human intervention which is prone to bias. Similarly, technology-based solutions can greatly strengthen our logistics and sales capabilities and meet customers’ demand for high servicing standards. Real-time monitoring of logistical metrics by digitalising the transportation cycle and GPS-enabled tracking can facilitate timely decision-making and improve overall customer-service. Likewise, our dealers and other channel partners, who play a major role in our sales operations, can track the order status, position of target achievement, outstanding, etc., on a real time basis with the help of a mobile-based app solution. These solutions offer transparency in our sales and distribution model while also helping us meet our customers’ expectations. We have undertaken many such initiatives during this year. I am confident that they shall significantly boost our business by helping with precise decision-making and building more transparent and robust systems.

Our “Build Smart” approach also draws attention to green solutions as we are cognisant of the impact our operations have on our environment and the communities surrounding our plants. Also, climate change is a major risk to businesses the world over, and humanity at large. It can be said that climate change today is our biggest existential threat. Organisations worldwide are therefore working rapidly to address this challenge. Environmental concerns and climate change also form the core part of our risk mitigation strategy. With “Build Smart” in focus, we are investing heavily to further raise our green power generation capacity. In terms of minimising the use of natural resources, we are taking proactive steps to increase the use of alternative and waste materials. These measures have helped us take great strides in terms of our share of green energy consumption, water positively levels, use of waste materials and overall carbon emission levels. Our green initiatives have also resulted in overall betterment of the environment, address climate change risk, and aid in making our surroundings clean, green and smart.

Achieving fast-paced sustainable growth needs a distinctive approach that helps speed up innovation, inspire digital transformation, promote operational efficiency, enhance customer-focus, and make organisational agility a priority in the face of external volatility. We are proud to say that “Build Smart” addresses all these issues in a holistic manner, while embracing and integrating innovation, technology, sustainability and customer-centricity at every step, thereby helping create exponential value for all our stakeholders.

While we had humble beginnings in integrating the “Build Smart” ethos into our organisational DNA, we are ready for a giant leap. Today, we are at the cusp of transformation journey – a journey towards shaping our company into a smarter and more future-ready ogranisation.

Prashant Bangur
Vice Chairman

Q&A with Managing Director

Inspiring Action, Empowering People

"The times, they are changing" - so is Shree Cement. Our future is green.

Mr. Neeraj Akhoury took over as Managing Director of Shree Cement Limited in October 2022. With his three decades of rich experience, expert knowledge and understanding of the construction material sector, he is leading the company to a transformation journey to be a world class and greenest cement company globally. Here, Mr. Akhoury delineates the company's plans to deliver on its future-proof strategies and goals:

Can you provide an overview of the company's performance over the past year?

Our performance in FY 2023-24 has been exceptional to say the least. With 16% increase compared to the previous year, we achieved our highest-ever turnover of ₹19,586 crore. Our annual EBITDA also surged to an all-time high of ₹4,925 crore with 46% increase. We registered our best-ever sales volume of 35.5 million tonnes with 12% growth. Our strong financial performance reflects our sharp focus on operational efficiencies. This is complemented by our digital transformation, which is driving us forward, streamlining our operations, and empowering our people with data-driven decision-making capabilities.

What are the main strategic priorities for the company for the next three years?

Our immediate goal is to have 80+ million tonnes of cement production capacity by 2028, and we are relentlessly working to make it a reality. Upon completion of the ongoing cement projects in different states, our production capacity will reach 72 million tonnes. Our other strategic priorities include increasing green power generation, augmenting railway connectivity, improving the thermal substitution rate, and increasing operational efficiency through digitalisation and technology adoption. We are also aggressively expanding our footprint in Ready-Mix Concrete segment with a goal to set up ~100 plants in the next three years in ~50 cities pan India.

You have launched "Bangur" as your master brand. What is its rationale and how is its response in the market?

While we succeeded with our three brand strategy, given our next wave of growth, there was a compelling need to create a single unified brand as a master brand. With our rapidly increasing capacity, the idea was to build a distinct and discernible brand identity connecting with consumer aspirations, that will help us earn much greater recall value and trust from our consumers, and in turn will result in market share gains in the next 3-4 years. Therefore, we decided to launch "Bangur" as our master brand in January 2024. We have positioned "Bangur" as our umbrella brand while maintaining our existing three brands under its fold. The new unified master brand has been introduced with a modern visual identity and digital scale-up, with a reaffirmation of our sustainable attributes.

Independent homebuilders have always been our key customer segment. The aspirations of this segment have increased significantly demanding only the very best. Keeping this in mind, we have launched our premium offering "Bangur Magna" with superior attributes in order to fulfil our chief customer segment's aspirations and offer them a unique product experience. "Bangur" Cement has already created a buzz in the market, and we have received a very encouraging response indicating its acceptability by our customers. We are constantly taking further steps to strengthen our brand positioning.

What do you mean by 'Build Smart'? What is the philosophy behind it?

Our initiative of launching "Bangur" as our master brand is anchored in the idea of "Build Smart" - a core philosophy capturing our manufacturing prowess, consumer propositions, and national ambition. Over the years, we have created several milestones in different measures of our productivity and efficiency, be it power & fuel consumption, use of waste heat for power generation or finding alternative materials to replace conventional resources. We are regarded as one of the most efficient producers in the industry. Under the "Build Smart" ethos, we have upped the ante for our people to adopt cutting-edge ideas and innovative practices to create products which offer greater value proposition for our consumers.

Additionally, as a cement company, we are deeply invested in nation-building. We are working to amplify our participation in infrastructure development as one of the top cement manufacturers in the country. "Build Smart" serves as a metaphor symbol of our commitment to these goals, reflecting our dedication to India's growth narrative. With our sustainable and innovative practices, our products offer great value proposition and are used in several roads, railways, ports and other infrastructure projects of national importance. They also find use in thousands of smaller but high-impact projects such as schools, colleges, hospitals, etc., which are facilitated through small local contractors. We help build these projects with our technical support and strong connect with these stakeholders at the ground-level through our network and channel partners. In this sense, "Build Smart" blends in with our aim of contributing to the nation's progress.

How is the company leveraging technology to improve overall efficiency and productivity gains across its operations?

We have undertaken a suite of initiatives to make the company digitally driven and technologically robust. One important digital transformation initiative directed towards streamlining and integrating various business functions was to shift our enterprise resource planning tool to SAP. This has been implemented seamlessly and in a record time. With SAP integration, digitalisation has percolated to all areas of our operations – right from raw material extraction to production processes, and from logistics to sales & marketing functions.

To further enhance productivity and efficiency in the sales domain, we have launched the UdaanPRO and UdaanCONNECT apps for our sales and technical services teams as well as for our channel partners. These apps facilitate real-time order placement, performance monitoring, tracking of outstanding positions and scheme participation, among other features. In the logistics domain, we have kick-started a centralised platform – 'Logistics Control Tower' – to provide real-time info on trucks and rakes, enable meticulous planning, optimising servicing of orders from the least cost source, and ultimately improve customer service levels. These tools will help us grow our market through better servicing of our channel partners and real-time data analysis of market trends.

For the manufacturing domain, we have launched the Isaac mobile application which is a digital tool to enable our people to carry out physical inspections while walking around in the plant to identify areas for optimisation and ensure adherence to safety and equipment performance. This will help us in the early identification of areas requiring maintenance, thereby improving equipment uptime. Additionally, we have also taken up several other initiatives such as Unified Monitoring of Raw Material Handling Equipment, Robo Analysis, Privileged Access Management System (PAM), real-time monitoring through Sangam and SPLIV – all of which have boosted efficiency and enabled more synergy in our activities.

What measures has the company taken to reduce its environmental impact and carbon footprint?

The Cement industry is regarded as a hard-to-abate sector in terms of reducing its carbon footprint. In recent times, the industry is increasingly witnessing more stringent environmental regulations and need for eco-friendly sustainable products. We actively promote sustainability as our core business strategy with a focus on the preservation of natural resources and enhancing resource use efficiency. I would like to highlight a few important areas here:

- Over the last few years, we have decided that we shall not add any new thermal power capacity and would progressively reduce the share of existing thermal power in our overall power consumption. Keeping this objective in mind, we have rapidly scaled up our renewable power capacity, which has risen to 480 MW in FY 2023-24 from 244 MW in FY 2020-21.
- As a result of our continual investment in green energy projects, our share of green energy consumption has also increased to 55.9% during FY 2023-24, which is the highest in the Indian Cement industry.
- In order to scale-up and sustain our efforts in raising our renewable energy (RE) capacity, we have become a member of the RE100 initiative to convert to 100 percent renewable electricity for all our operations by the year 2050.
- Another notable achievement on the energy efficiency front is our performance against targets assigned to us under the Government of India's PAT scheme. We have consistently overachieved our targets in the various PAT Cycles and have been honoured with the 'Best Performer' award by the Bureau of Energy Efficiency.
- We have grown 7 times in terms of water positivity levels through our work on water conservation by optimising water consumption, treating and recycling of waste water, and increasing the availability of usable water through rainwater harvesting and recharging.

We are continuing our efforts of greening our operations and working on different levers that will make the company a leader in sustainability.

How does the company engage with local communities and contribute to their development?

We deeply value the role our local communities play in our continuous growth and development. Giving back to society, fostering social harmony, and driving societal change is embedded within our core principles. Cognisant of our mutually beneficial relationship with our communities, we have deployed effective communication channels to identify their needs. Our systematic interventions in women empowerment, community infrastructure development, health & education and other social welfare activities have made a meaningful impact in the lives of our local community. We stay committed to uplifting our people and communities, by ensuring continued interventions for their welfare and progress.

How does the company attract and retain talent?

Our employees play a critical role in our quest to "Build Smart". They are at the core in driving the company towards sustainable practices and growth. In the last few years, we have significantly redesigned our organisational structure to align it with our future business requirements. We are in a phase of continuous growth which offers multi-faceted opportunities to our people to excel and scale new heights. Working on challenging opportunities provides them intrinsic motivation to take on bigger roles and responsibilities. We have charted out clear career-progression paths for our people to envision their long-term growth in the company. Our unique Shree family culture of camaraderie and inclusivity binds us together and enables a joyful atmosphere for work and progress. The provision of recreational activities and other key facilities at all our sites, and regular get-togethers with family members together with sports and cultural events ensures work-life balance for the employees. We have also inculcated a culture of recognising and rewarding our people for their hard work and achievements to keep them motivated. The management team is accessible at all times to all our people, for discussion and guidance. Our efforts in creating an inclusive and safe workplace resulted in the company being recognised as a 'Great Place to Work' (GPTW) in Manufacturing for six years in a row.

What are the biggest challenges and opportunities you foresee in the coming years?

India's cement sector is in a very exciting phase. Driven by the Government's strong emphasis on infrastructure development and sustained real estate activities, the cement demand in India is expected to remain promising. Keeping this in view, we have laid out a roadmap to increase our capacity in order to meet rising demands and grow our market share. We also recognise a vast potential for RMC business and are therefore investing heavily in scaling up our RMC capacity. Our industry peers are increasing their capacity as well, which may make the market see over-capacity and can lead to pressures of under-capacity utilisations. We have, however, seen these phases in the past and are fully geared to meet these challenges.

Our Value Creation Model

Unlocking Potential, Delivering Value

INPUTS

Financial Capital
- Shareholders' Equity - **₹20,384.49 Crore**
- Net Debt - zero i.e. cash positive

Manufactured Capital
- Integrated Cement Plant locations - **05***
- Standalone Grinding unit locations - **11**
- Cement production capacity - **53.4 MTPA***
- Total Power generation capacity - **983 MW**
- New Cement Capacity added in FY 23-24 - **07 MTPA**

Human Capital
- Permanent Workforce Strength - **7,073**
- Investment on Employee Training - **₹46 Lac**
- Total Training Hours - **1,14,431**
- Robust Health and Safety management system

Natural Capital
- Raw material consumption **35.26 MMT** (Conventional) **11.39 MMT** (Alternative)
- Energy consumption - **109,206 TJ**
- Fresh water consumption - **2,228 ML**
- Green energy capacity - **480 MW**
- Capital Investments for environment protection - **₹ 677.34 Crore**

Intellectual Capital
- Investments in Innovation - **₹58.78 Crore**
- R&D centers - **04**
- Patents filed - **03**
- Innovation in production and business operation

Social and Relationship Capital
- Investment in Community development initiatives - **₹51.34 Crore**
- Dealer Base - **21,053**
- Supplier Base - **2,922**
- Procurement Spent# - **₹6,227 Crore**
- Focus on brand architecture
- Suppliers assessed on ESG criteria - **276**
- Collaborations and Partnerships

* Integrated unit at Guntur, Andhra Pradesh began operations from 2nd April 2024 taking the cement capacity to 56.4 MTPA, number of Integrated plant locations in India to 06 and our presence to 12 states.

includes raw material, fuel, packaging bags and O&M spares procurement.

BUILD SMART: VALUE CREATION

The Shree Philosophy
'आ नो भद्राः क्रतवो यन्तु विश्वतः'
Let noble thoughts come to us from all over the World ~ Rigveda

Vision
Lead in creating prosperity and happiness for all stakeholders through innovation and sustainable practices.

Stakeholders
- Customers
- Suppliers
- Media
- Government & Regulatory Authorities
- Investors and Shareholders
- Employees
- Local Communities
- Trade Associations

Strategic Focus
- Digital Transformation
- Sustainable Growth
- Cost Optimisation
- Increasing market share and strengthening brand equity

Risks
- Climate Change
- Consolidation and Intense Competition
- Plant and Region Dependency
- Supply chain – water availability
- Succession planning

Emerging Risks
- Shortage of critical natural resources and impact of extreme weather events
- Adverse effects of Artificial Intelligence (AI) or disruptive technologies
- Increased geopolitical conflicts

Opportunities
- Circular Economy
- Adoption of Artificial Intelligence and Industrial Internet of Things
- Transitioning towards bulk and multimodal logistic
- Green Growth Initiative

OUTPUTS

Cement Production
- OPC - **89.93 Lac Tonnes**
- PPC - **239.31 Lac Tonnes**
- CC - **10.52 Lac Tonnes**
- Total - **339.76 Lac Tonnes**

Power Generation
- Net power generation - **37,908 Lac kWh**
- Net power generated from green sources - **13,304 Lac kWh**

Stack Emissions
- NOx - **14,262.3 MT**
- SOx - **64.8 MT**
- PM - **465.5 MT**

GHG Emissions
(in 000 tCO_2e)
- Scope 1 - **21,946.0**
- Scope 2 - **369.6**

Waste Generated and Safely Disposed off
- Non-hazardous waste - **14,872.02 MT**
- Hazardous waste - **179.82 MT**

OUTCOMES

Financial Capital
- Revenue - **₹19,585.53 Crore**
- EBITDA - **₹4,924.63 Crore**
- PAT - **₹2,468.44 Crore**
- Net Cash flow from operations - **₹3,303.62 Crore**
- RoCE - **15.51%**
- Market Capitalisation - **₹92,741.05 Crore** (as on 31st March, 2024)

Manufactured Capital
- Capacity Utilisation **77%**
- Forayed into Ready Mix Concrete manufacturing
- Indirect Economic Impacts (employment generation, environmental conservation)

Human Capital
- Ingrown leadership team
- Employment generation - **1,460** new hires
- Employee turnover rate - **11.9%**
- Employee engagement score - **81**
- Average hours of training and skill development - **16** per employee
- Safety performance (LTIFR, TRIFR etc.)

Natural Capital
- Alternative raw material and alternative fuel consumption
- Thermal substitution rate - **2.37%**
- Water Positivity **> 7 times**
- Biodiversity management

Intellectual Capital
- Improved productivity
- Patents granted - **04**

Social and Relationship Capital
- Lives touched - **6.7 Lac**
- Sustainable procurement
- Customer satisfaction score - **86%**

SDGs

- Financial Capital: 8
- Manufactured Capital: 8, 9, 12
- Human Capital: 3, 4, 5, 8, 10
- Natural Capital: 6, 7, 11, 12, 13, 15
- Intellectual Capital: 9, 12
- Social and Relationship Capital: 1, 2, 3, 4, 5, 6, 8, 9, 10

Stakeholder Engagement and Materiality Assessment

Building Trust, Engaging Stakeholders

Stakeholder Engagement

At Shree Cement, our operations involve a wide array of stakeholder groups across our value chain and we believe that constant and effective communication is the key to building strong relationship with them. Hence we have employed suitable communication channels, catering to the requirement of each stakeholder.

Stakeholder Engagement Process

Our Stakeholder Engagement Policy serve as the key resource, guiding us through the process of engaging with the stakeholders. We gather their valuable feedback, concerns and insights through regular engagements and act accordingly.

Our stakeholder engagement process begins with meticulous planning during which we determine the scope, objective and channel of engagement and allocate resources. Following this, we identify and prioritise our internal and external stakeholder groups including vulnerable and marginalised groups. While engaging with our stakeholders, we employ effective communication channels and take into account language and other potential barriers which could hinder the effectiveness of the engagement process. Following interaction, all responses received are documented. Based on the responses received, the ESG Committee apprises the Board on key concerns raised by the stakeholders on an annual basis. We develop targeted action plans to integrate stakeholder feedback and concerns in our business strategy and key focus areas.

Any complaint from the stakeholders is swiftly addressed by the concerned function. By maintaining open communication channels and addressing grievances promptly, we foster a positive relationship with our stakeholders, thereby enhancing trust and credibility.

Engaging with Stakeholders

Stakeholder Group	Whether identified as vulnerable or marginalised	Significance of relationship/ Purpose and scope of engagement	Channels of Communication	Frequency of Engagement	Key concerns/ Expectation	Our Approach
Employees (Internal)	No	· Employees are invaluable assets driving organisational growth and success through their commitment, expertise and skills	· Internal communication platforms · Employee grievance mechanism · Employee feedback system · Regular workshops and trainings	Continuous	· Compensation and appraisal · Career growth and personal development · Effective grievance mechanism · Training and development	· 100% compliant in terms of payment of minimum wages · Comprehensive employee engagement plans
Investors and Shareholders (External)	No	· Provide financial resources and inputs on strategic aspects to achieve business goals and targets	· Annual and quarterly reports · Annual shareholders' meetings · Management of investor relations · Corporate filings with stock exchange	Regular Intervals	· Consistent returns including dividend payout · Enhancing revenue and market value · Robust corporate governance	· 16% increase in revenue within the reporting year · Dividend payout ₹105 per share against ₹100 per share of previous year
Customers (External)	No	· Our products and services are for our customers to fulfill their needs and help them convert their dreams into reality, thereby aiding infrastructural development	· Online communication channels · Customer representative meet-ups · Customer Satisfaction survey	Continuous	· Timely delivery · Post-delivery services · Product cost & quality · Responsible and sustainable production	· Enhanced customer experience · Customer Satisfaction Survey score: 86%
Suppliers (External)	No	· Timely delivery of quality supplies is essential to ensure efficient production cycle and business continuity	· Meetings with suppliers · Supplier assessments	Continuous	· Prevention of violations of human rights in the supply chain · Ethical business practices · Contract negotiation and timely payments · Continuity in business relationships	· Robust procurement contracts · Assessment of suppliers on environmental and social parameters · Timely payment
Government and Regulatory Authority (External)	No	· Licenses and permits are mandates for business operations. · Maintaining legal compliances	· Meetings with government officials · Regular filings with government	Regular intervals	· Compliance with regulatory requirements · Management of environmental and social impacts	Ensure compliance with regulatory requirements
Media (External)	No	· Media plays an important role for communication to wider public about our aspirations, achievements and progress	Meetings with media representatives	As and when required	· Preventing the spread of inappropriate information · Last mile reach of media · Transparency and relevance of information · Disclosure of accurate information	· Increased communication to media on various initiatives · Increased awareness of the products
Local Community (External)	Yes	· Create shared value and positive impact on the community · Social license to operate	· Meeting with local communities for CSR programmes · Meeting local community representatives for concerns and feedback	As and when required	· Acknowledge and address concerns of local communities	· 6.7 lac beneficiaries through CSR programmes · ₹ 51.34 Crore spent on community development programmes
Trade Associations (External)	No	· Engaging in policy development lays down best practices. · A platform to engage with peers and collectively address common concerns	Meeting with representatives of trade associations	As and when required	· Support to deal with challenges faced by the industry collectively	· Support to trade associations as and when required

Materiality Assessment

Materiality assessment exercise helps in identifying the topics that are critical to our business. The assessment starts with identification of the impacts of our operations on economy, environment, and people. This is done through rigorous evaluation to prioritise key topics that shape our business and resonate deeply with our stakeholders.

Our material topics are reviewed annually to assess their significance and relevance in the dynamic business environment. During the last reporting year, we have revised material topics by identifying corresponding impacts in alignment with the GRI Standards 2021. The actual / potential, positive / negative impacts of our operations on the environment and people including impacts on human rights were identified.

To gauge the significance of each impact, we analysed its severity and likelihood, consulting closely with relevant stakeholders and a quantitative threshold was set to prioritise the impacts. Similar impacts were grouped together to form material topics which underwent validation against industry standards to ensure relevance. Further, the potential financial implications of material topics reflected in the ERM framework were analysed in alignment with the principle of double materiality based on the risk impact criteria.

The material topics are integrated into our Enterprise Risk Management (ERM) framework to support in identification of business risks. The details of ERM framework and corresponding risks are disclosed in risk management section of this report. The results of materiality assessment exercise were presented to the management and were approved.

Materiality Assessment Approach

Identify list of impacts on environment and people and corresponding financial materiality.

Prioritise material topics based on strategic importance in consultation with stakeholders

Validate prioritised material topics against industry standards and frameworks

Integrate material topics into business decisions

Our prioritised material topics are represented in the table below and classified into Environment, Social and Governance dimensions.

Environment

● Positive ● Negative

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Climate Change	Non-GRI	Risk	· Extreme weather events are a direct result of climate change that may disrupt business operations, supply chain and infrastructure.	Climate change mitigation measures include Waste Heat Recovery Plants, renewable energy plants, Air Cooled Condensers in thermal power plants, energy conservation and efficiency measures, enhanced use of biomass and alternative fuels, etc.	●	· Physical risks of climate change · Reputational damage
Biodiversity	GRI 304: Biodiversity	Risk	· Our expansion plans could face challenges if we do not adhere to biodiversity related regulations · Designing and implementation of Wildlife Conservation Plan (WCP), if applicable, is crucial to limit impacts	Develop and implement WCP as applicable and avoid operating in eco-sensitive areas or high biodiversity value zones.	●	· Loss of biodiversity and change in land use/land cover pattern. · Preservation of biodiversity and natural habitat
Water	GRI 303: Water & Effluents	Risk	· Water availability is critical to our business operations. · Water treatment cost may increase due to potential updates in regulatory requirements for the water discharge quality parameters.	Regular monitoring of water consumption levels, implementing water harvesting, use of treated municipal STP water, water reuse techniques and periodic water audits.	●	· Reduced availability of water, particularly in water stress areas.

Positive Negative

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Energy & Emissions Management	GRI 302: Energy GRI 305: Emissions	Risk	· Cement manufacturing is an energy intensive process with high emission intensity. · Regulations surrounding emission reduction may result in legal and financial implications. · Cost of fossil fuels is dependent on availability and geo-political conditions, and have a direct impact on the bottom line.	· Regular energy audits · Regular monitoring and tracking of energy and emissions. · Installation of waste heat recovery plants and increased share of green energy · Use of alternative fuels · Blended cement production	Negative	· Greenhouse gas emissions contributing to climate change · Reduction of carbon emissions by deployment of latest technologies · Reducing the dependency on fossil fuel-based energy
Waste Management & Circular Economy	GRI 306: Waste	Opportunity	· Focus on utilisation of alternate fuel and raw material (waste from other industries) in our processes. We also ensure that waste generated is disposed through authorised/ registered vendors		Positive	· Hazardous waste generation · Value creation from waste
Low carbon products	Non-GRI	Opportunity	· Blended cement such as PPC, PSC, CC will enable us to cater to different customer requirements and reduce our carbon emissions.		Positive	· Reduction in emissions
Social						
Human rights & Non-'Discrimination	GRI 405: Diversity & Equal Opportunity GRI 406: Non-Discrimination GRI 407: Freedom of Association & Collective Bargaining GRI 408: Child Labour GRI 409: Forced or Compulsory Labour	Risk	· Human rights violation can impact employee morale and affect productivity. · It can also cause financial implications and result in reputational damage that may arise from law suites, regulatory bodies etc · Instances of discrimination may lead to employee dissatisfaction and lower retention.	· Implementing effective and efficient grievance mechanism · Conduct periodic human rights assessment · Conduct regular training and awareness programmes · Robust internal controls and processes to ensure adherence to rules and regulations	Negative	· Ensuring equal treatment and opportunities for all · Regulatory compliances

Positive Negative

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Occupational Health & Safety	GRI 403: Occupational Health & Safety	Risk	· Occupational Health and Safety incidents could negatively impact well-being and pose reputational threat	· Conduct regular safety trainings, mock drills, toolbox talks · Regular safety inspections and audits to ensure implementation of controls and processes · Implemented OHS management systems and HIRA procedures to minimise incidents	Negative	· Occurrence of workplace injuries · Cost associated with accidents and incidents
Training & Development	GRI 404: Training & Education	Opportunity	· Training and upskilling employees improves productivity and fosters creative thinking leading to overall employee development		Positive	· Investing in training and skill development of employees
Employee Relation	GRI 401: Employment	Opportunity	· We have strong focus on employee welfare and development. · This helps in maximizing output towards meeting the organisational goals		Positive	· Providing benefits and fair wages to employees
Community Development	GRI 413: Local Communities	Opportunity	· Community development helps us to create shared value and foster harmonious relationships. Through our CSR programmes, we uplift and upskill local communities to create a positive impact.		Positive	· Improved relation with the local community
Customer Satisfaction	Non- GRI	Opportunity	· Our quality products and services have delighted customers for years which has resulted in customer satisfaction leading to loyalty and positive brand recognition.		Positive	· Customer retention and repeat customer orders

Positive Negative

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Resettlement & Rehabilitation	GRI 411: Rights of Indigenous Peoples	Risk	· Failure to implement good practices towards indigenous communities may risk community support and may lead to reputational damage	· Support resettlement and rehabilitation as and when required in compliance to applicable regulations.	Negative	· Recognising and respecting indigenous people's rights

Governance

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Risk Management	Non- GRI	Opportunity	· Effective Risk Management framework is crucial for business continuity and resilience. This helps in identifying and mitigating current and emerging risks and assess opportunities to enable us to retain leadership position.	-	Positive	· Business resilience
Governance & Ethics	GRI 205: Anti-Corruption GRI 206: Anti-competitive Behaviour	Opportunity	· A strong governance structure and ethical framework are vital for promoting long-term organisational success, resilience and stakeholder trust.	-	Positive	· Increased transparency in disclosures · Strengthening relationship with stakeholders
Cyber Security	GRI 418: Customer Privacy	Risk	· Attack on IT infrastructure can cause business interruption, loss of data and reputational damage.	· Cybersecurity Framework and Information security policy · Conduct periodic assessments and test IT infrastructure · Conduct cyber security awareness programmes	Negative	· Strengthening of IT infrastructure and cybersecurity framework · Reputational damage and loss of data
Business Performance	Non-GRI	Opportunity	· The economy is growing exponentially boosting infrastructural development and thus increasing cement demand.		Positive	· Economic/ business impact due to fluctuation in the fuel price · Capturing market share due to superior quality and competitive pricing

Positive Negative

Material Topic	GRI Standard	Risk or Opportunity	Rational for identifying as Risk or Opportunity	Mitigation or adaptation measures for the risks	Financial Implications (Positive or Negative)	Impact Identified
Regulatory Compliance	Non-GRI	Risk	· Non-compliance to applicable regulation could result in fines and penalties and lead to reputational damage	· Continuous monitoring and review of compliances to ensure no non-compliances.	Negative	· Minimise regulatory risks through risk management framework · Non-compliance with the regulations
Supply chain, Raw material procurement & Procurement practice	GRI 204: Procurement Practices GRI 301: Materials GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	Risk	· Supply chain serves as the backbone for efficient flow of raw materials. Disruptions in supply chain may cause delay in production and distribution of products ultimately impacting business continuity	· Conduct supply chain risk assessments · Screening suppliers to determine risks in the supply chain · Optimise the usage of limestone and other raw materials · Onboarding suppliers through vendor agreements including E&S related requirements	Negative	· Supply chain management to minimise the risks
Indirect economic Impact	GRI 203: Indirect Economic Impacts	Opportunity	· Indirect economic impacts of operations (through indirect employment generation and economic activity creation) will contribute to positive social relationships and uplift local stakeholders · This will aid in establishing social cohesion in areas of operation and thus facilitate smooth functioning.		Positive	· Increase impact on the society and economy

Our Strategic Priorities

Pathways to Progress, Focusing Forward

Our foremost priority is to continuously optimise cost, enhance sales volume and brand equity through digital transformation of systems and processes while minimising our environment footprint.

We believe that progress is incremental, and that, we must do better each day.

Business factors, risks and opportunities are taken into consideration while identifying the focus areas and defining strategic objectives. We follow an integrated approach to align our policies, functions, goals and targets with our business objectives.

Strategic Priorities

Strategic Objective	Description	Focus Area	Achievement
S-1: Cost Optimisation	• We continue to optimise costs by focusing on process improvement, automation, digitialisation and operational excellence. • This makes us one of the most cost-effective cement manufacturers in the Indian cement industry.	• Automation, digitalisation and research and innovation. • To maintain cost competitive advantage over the peers. • Improve the profitability levels	• Our fuel consumption per unit of clinker production has reduced as compared to last year. • The proportion of low cost green electricity in the total electricity consumption has increased over the years resulting in optimisation of cost of electricity.
S-2: Increasing market share and strengthening brand equity	• We have re-structured and strengthened our Marketing and Sales verticals for greater visibility, thereby enhanced brand equity and market share. • We have introduced technical services function to enhance customer experience by providing technical assistance and build awareness regarding our products and best construction practices.	• Strengthening brand equity by providing expert advice and customer support. • Enhance cement production capacity and expand distribution network. • Diversifying our portfolio by venturing into the Ready-Mix Concrete business, catering to varied customer needs.	• Improved customer perception and visibility through revamped brand portfolio with Bangur as the master brand. • Increased focus on business development and effective management of channel partners by leveraging digitalisation for sales, logistics and marketing functions.
S-3: Sustainable Growth	• We have prioritised sustainable growth by minimising environmental impact of our business operations. • We have adopted environment friendly technologies, utilise raw materials responsibly, and promote energy management and process efficiency.	• Commitment to enhance green electricity consumption. • Focus on circular economy and use of alternative raw materials and alternative fuels. • Reduction of energy consumption. • Responsible mining and judicious use of raw materials.	• Green electricity contributed to 55.9% of our total electricity consumption. • Thermal Substitution Rate (TSR) is 2.37%. • Water positivity >7 times. • Increased agro waste consumption, use of biofuel and other initiatives have led to avoiding carbon emissions.
S-4: Digital Transformation	• Digitalisation and automation enable process efficiency, optimise costs, and maintain consistent product quality. • Digital transformation helps streamline operations and enables data driven decision making.	• Digitalisation to streamline and optimise processes and reduce manual intervention across our operations. • Data driven decision making.	• Implementation of a suite of digitalisation initiatives and mobile applications across functions. • Integration of platforms and processes through SAP HANA. • More details are covered in Digitalisation section of Intellectual capital in this report.

Risks and Opportunities

Managing Risks, Leveraging Opportunities

Effective risk management is imperative to business continuity and resilience in the competitive and dynamic market we operate in. It is also necessary in identifying business opportunities to stay abreast of market trends. We have established a robust risk management framework to achieve these objectives. Our Enterprise Risk Management (ERM) policy guides our approach to risk management and navigate the process in line with regulatory and business requirements. The current risks were reviewed in the reporting year to identify new and emerging risks to our business.

Our risk management framework

Governance
- Robust operating structures
- Promoting a positive risk culture through awareness

Establish context and Orient People
- Establishing business context
- Defining risk categories
- Raising awareness through training sessions and open communication

Process to Perform
- Identification of risks
- Assessing and prioritising risks
- Defining mitigation plans

Review and Revision
- Monitoring and tracking risk mitigation plans
- Review of identified risks periodically

Monitor and Report
- Reporting on identified risks and mitigation plans

Effective Risk Culture

The Board of Directors are responsible for framing, implementing and monitoring the risk management framework of the Company. A Risk Management Committee (RMC) has been constituted to monitor and oversee the effective implementation of the ERM policy and reports to the Board of Directors. Along with RMC, the ESG Committee, comprising of senior executives, reviews the results of the risk management process. The Chief Risk Officer (CRO) facilitates the operationalisation of the ERM framework and updates the ESG Committee and the RMC periodically. The RMC meets at least once in a continuous span of 180 days in line with regulatory requirements. During the meeting, the RMC also reviews the risk exposure including the risk apetite and operating effectiveness of the ERM framework. The ESG committee meets on periodic basis wherein the risk owners i.e. functional heads review the identified and emerging risks and discuss the mitigation plans.

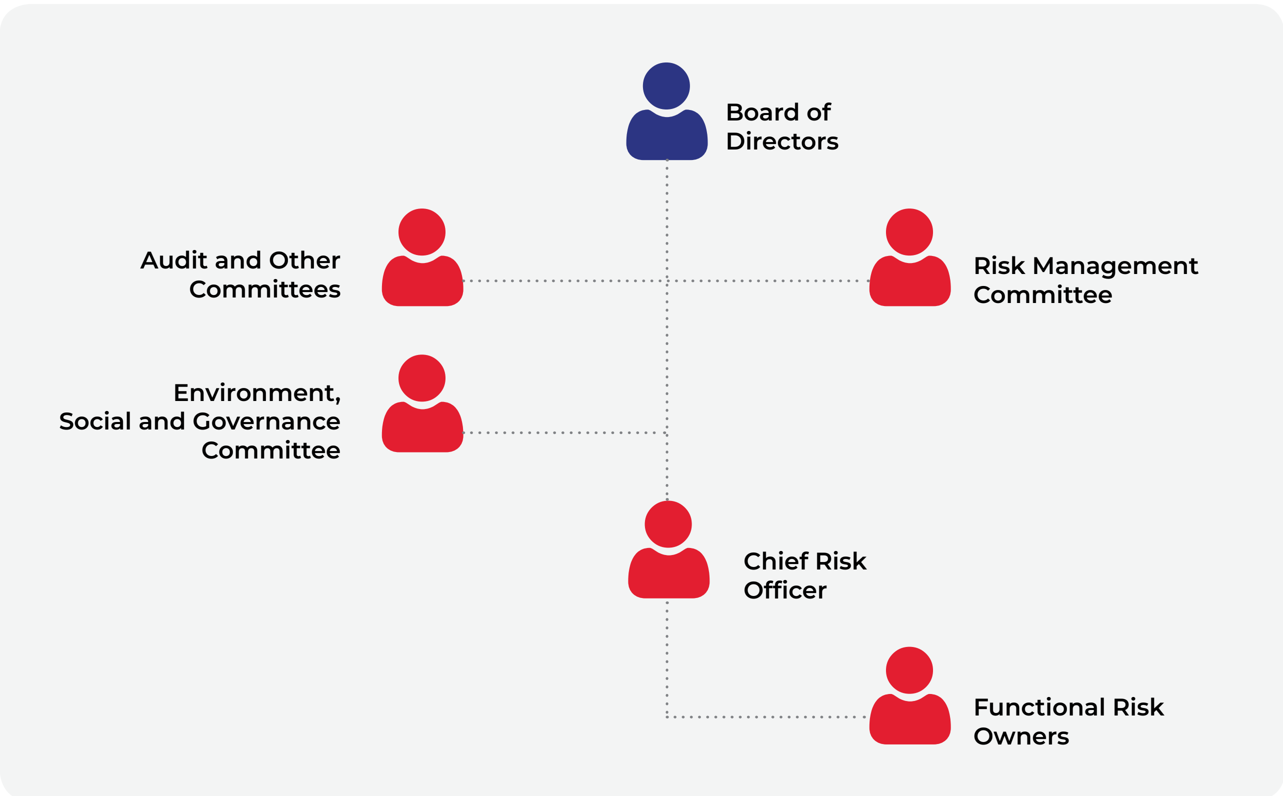
The identified risks are assigned to the risk owner who, in coordination with the CRO, prepares mitigation strategies for the identified risk(s) and periodically report the progress of implementation status to the management.

Our robust and comprehensive operating structure promote an effective 'risk culture' at our organisation. To ensure greater risk awareness among our internal stakeholders, we have enabled seamless and effective communication channels. In the familiarisation programme organised for our Board of Directors (including Non-Executive Directors), we interalia sensitise them on the risk and mitigation strategies.

Our detailed risk management process includes risk identification, assessment and prioritisation, which helps to chalk out an efficient mitigation plan. The identified risks are categorised basis their impact on Growth, Market Share, People, Efficiency, Shareholders' Expectations, and Sustainability. The identified risks are then evaluated against the parameters of probability, likelihood and the impact of the consequence. Post evaluation, each risk is given a risk rating of low, medium and high.

To ensure our business operations remain future-proof and resilient, we have a Business Continuity Management (BCM) plan that incorporates robust policies, processes, and systems. In addition to this, identified potential risks such as unavailability of raw materials, water etc. are considered during product development phase and appropriate mitigation strategies are undertaken.

Risk Management Governance Structure



This table below highlights our top five risks based on the impact identified against each risk's consequence. We have also linked our risks with the categories defined by World Economic Forum (WEF).

Top five risks

Economic | Technological | Geopolitical | Societal | Environment

Risk Description	Impact	Mitigation Strategy	WEF Category
R-1: Climate Change Cement production being carbon-intensive process requires us to take necessary action to minimise our carbon footprint and contribute to climate change mitigation.	• Government may bring in regulations impacting operational continuity due to current level of carbon emissions. • Enhanced scrutiny by investor community including shareholders over climate change may impact market capitalisation.	• Identification of initiatives such as energy efficiency projects, enhanced use of green power, use of biomass and AFR, increase in blended cement production etc. • Committed to use 100% renewable electricity by year 2050 as part of RE100 initiative. • Collaboration with industries and academia to work on low carbon products and carbon mitigation strategies. • Aim to reduce Scope 1 emissions by 12.7%, and Scope 2 emissions by 27.1% per tonne cementitious material by 2030 over 2019 baseline.	
R-2: Consolidation and Intense Competition Though there is growing cement demand, the supply has outpaced in the last few years in the sector due to expansion. We are aiming to expand our capacity beyond 80 MTPA.	• Continuous expansion and consolidation in the industry might impact our market share. • Stiff competition may impact the product prices which may not be sufficient to recover the cost of the capital.	• Identifying strategic locations for further capacity expansion. • Aligning of marketing strategy and strengthening brand equity to maintain current market share and to enter new markets. • Timely project completion to maintain a competitive edge over peers.	

Economic Technological Geopolitical Societal Environment

Risk Description	Impact	Mitigation Strategy	WEF Category
R-3: Plant and Region Dependency Cement plants are generally located near the limestone resource areas. Further, cement is transported to the market and has a limited shelf life of around one month. Northern region accounts for more than half of our cement and clinker capacity leading to dependency on the region.	• Risks such as labour shortage, logistics, power availability, etc., may impact our production in such regions. • The supply demand in Northern region may significantly impact our performance because major clinker production is concentrated there.	• Expansion in Western, Southern as well as in Eastern Region as a part of diversification strategy. • Adoption of flexible supply model for both road and rail in the plants, to manage over-dependency on any single mode of logistics.	
R-4: Supply Chain – Water Availability A number of our sites are located in water stressed area. Shortage of water may impact our operations and the community around us.	• Impact on operations due to shortage of water, because of expansion of existing facilities in water-stressed areas.	• Conducting water risk assessment study as a part of our organisational readiness to plan for upcoming water challenges. • Deployment of efficient and state-of-the-art technologies to reduce water requirement in operations. • Construction of rain water harvesting structures for storage and recharge of rain water. • Adoption of best industry practices such as zero liquid discharge, sewage treatment plants, recycled water usage, etc., to reduce ground water requirements.	

Economic Technological Geopolitical Societal Environment

Risk Description	Impact	Mitigation Strategy	WEF Category
R-5: Succession Planning Succession planning helps organisations grow through smooth leadership transitions, minimal disruptions, talent retentions and strategic alignment. For us, this also includes setting realistic goals for growth, and planning for future talent to drive innovation.	• Unavailability of right candidates for furthering business objectives. • Loss of knowledge and experience from sudden exit of skilled or specialised employees.	• Inculcating and promoting culture of accountability across all levels. • Cross functional collaboration to develop and enhance business acumen of the employees. • Identification of critical positions, possible successors, their development plans and gap analysis.	

Emerging Risks

Emerging risks are defined as those risks that are newly identified, unprecedented ones that are yet to materialise, and upon materialising bear a long-term impact on business. In the reporting year, we identified three emerging risks relevant to our business and have devised mitigation strategies for each.

Economic Technological Geopolitical Societal Environment

Risk Description	Impact	Mitigation Strategy	WEF Category
E-1: Shortage of critical natural resources and impact of extreme weather events Raw material scarcity can impact production, supply chain operations and our business profitability. The rising difference between demand and supply of natural resources such as coal are areas of concern. In addition to this, the occurrence of extreme weather events can also create business disruptions by impacting the supply of critical raw materials.	• There is an increased risk of supply chain disruption in the operations due to raw material shortage/crisis and extreme weather events. • Cement industry is highly dependent on transportation of fuel such as coal. The unavailability and disruption of supply chain and transportation may directly impact the production capability.	• Reducing dependency on conventional fuel (coal and pet coke) and transitioning to alternative fuel sources by continuously increasing its usage. • Strategic expansion of operations in new geographies where availability of critical raw materials is not a challenge.	

Economic Technological Geopolitical Societal Environment

Risk Description	Impact	Mitigation Strategy	WEF Category
E-2: Adverse effects of Artificial Intelligence (AI) or disruptive technologies Implementation of new and AI based technologies within the industry may become challenging for us in the near future if we are unable to keep up with their adoption. This can also arise due to lack of awareness or internal resistance to technological changes.	· AI implementation in the industry might hamper our competitiveness. · New technological advances might also result in renewed customer demands and challenges in meeting the same.	· We have been incorporating digitalisation in our operations and processes to improve our competitiveness. · We are continuously integrating technology in production domain wherever feasible.	
E-3: Increased geopolitical conflicts Geopolitical conflicts directly impact the financial state globally and the supply chain.	· Even though our product sales are concentrated in domestic markets, we are dependent on import of fuel and certain technology and machinery. · Geopolitical conflicts can directly hinder our import and affect our supply chain.	· We have been focusing on indigenous procurement and usage of alternate fuel in our operations. · We continually focus on diversifying our supply chain to mitigate the risk of dependence on single supplier for critical supplies.	

Opportunities

As the cement industry continues to evolve, new opportunities emerge at frequent intervals. There are significant opportunities that remain untapped in the areas of circular economy, resource conservation, digitalisation, Artificial Intelligence (AI), consistent growth of the real estate sector and the advancements in technologies.

Opportunity Description	Resource Allocation	Link to Strategic Priority
O-1: Circular Economy Opportunities are growing in our industry to integrate a circular economy business model.	· We are collaborating with other industries to utilise their waste as a source of input material in our manufacturing process. · In addition to this, we also reuse waste generated from within our premises while also complying with the applicable regulatory requirements.	

Digital Transformation | Sustainable Growth | Cost Optimisation | Increasing market share and strengthening brand equity

Opportunity Description	Resource Allocation	Link to Strategic Priority
O-2: Adoption of Artificial Intelligence and Industrial Internet of Things Smart technology is revolutionising the automation, monitoring and analysis of process parameters and supply chains. Technology will deliver resilience, improve accuracy, reduce costs and increase efficiency across a number of areas.	· We have already implemented various digital initiatives across our value chain from mining to product delivery. · This also helped to integrate and steamline various departments and functions and optimise cost and time.	
O-3: Transitioning towards bulk and multimodal logistic Transitioning towards bulk and multimodal logistics can unlock environment-friendly, energy-efficient, and economically optimised mode of moving raw material and products.	· We are developing railway sidings at new project sites as well as at existing locations to augment rail transportation. · We are also establishing larger warehouses to serve markets in areas of multiple smaller warehouses.	
O-4: Green Growth Initiative Cement companies can leverage levers such as energy efficiency, clinker substitution and decarbonisation, making their operations sustainable.	· Addition of solar, wind and WHR to increase green power capacity. · Initiatives implemented to reduce energy consumption and improve the process efficiency.	

Digital Transformation | Sustainable Growth | Cost Optimisation | Increasing market share and strengthening brand equity

Our Capitals

Capitalising Strong Foundation, Accelarating Value Creation

At Shree Cement, we are leveraging our strong foundation to enable our next phase of aspirational growth. The capitals represent our diverse resources and relationships we harness to create value for our stakeholders. Each capital provides detailed insights into our approach towards managing our resources and associated value creation.

FINANCIAL CAPITAL

Represents the management of assets, liabilities, revenue, equity and capital investments.

Our commitment to sustainable profitability drives our investment strategies.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

MANUFACTURED CAPITAL

Represents our state of art-facilities and technologies for efficient production and high-quality products.

Continuous improvements in our manufacturing capabilities will ensure we meet the growing market demands.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

HUMAN CAPITAL

Comprises of our workforce with a wide range of skills and expertise. They ensure productivity and efficiency through their competence and dedication, which directly contribute to our performance and strategic objectives. Regular training ensures upskilling to adapt to the changing technological landscape.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

NATURAL CAPITAL

Signifies our commitment to sustainable environmental practices. It includes how we manage resources such as materials, water, fuel, biodiversity and waste.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

INTELLECTUAL CAPITAL

Emphasises our R&D and innovation capabilities. It includes intangible assets and digital resources that contribute to the development of sustainable products.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

SOCIAL & RELATIONSHIP CAPITAL

Highlights our engagement with our stakeholders including suppliers, customers and local communities. We consistently engage with our stakeholders to build long-term relationships to contribute positively to the society.

Interlinkage with Capitals

Strategic Priorities

Risks and opportunities

R1 R2 R3 R4 R5 | E1 E2 E3

S1 S2 S3 S4 | O1 O2 O3 O4

Financial Capital

Following Prudence, Pursuing Discipline and Solidifying Financial Strength

Performance Highlights FY 2023-24

Sales Volume

35.5 Million Tonnes

Revenue from Operations

₹19,586 Crore

Total EBITDA

₹4,925 Crore

PAT

₹2,468 Crore

Investments

₹6,964 Crore

Market Capitalisation

₹92,741 Crore

Dividend

₹105/share

Return on average Capial Employed

15.5%

A strong financial capital reinforces all other capitals and creates greater resilience.

At Shree Cement, our primary focus is to judiciously utilise our Financial Capital to create value for all our stakeholders in alignment with our vision, values and objectives. As a forward-looking organisation, we continuously conduct our business with dynamism and prudence to attain greater competitive advantages.

While we are determined to achieve our ambitious target of reaching over 80 MTPA capacity by 2028, the focus is on prudent capital allocation, utilising the operating cashflow and maintaining a lean Balance Sheet with a minimum leverage.

In line with our focus areas, we have strategically invested our financial capital in setting up of our greenfield expansion projects, investing in renewable sources of power and leveraging innovative technologies to streamline business operations and optimise costs. A strong financial capital reinforces all other capitals and creates greater resilience.

Focus Areas

- Lean Balance Sheet
- Prudent Capital Allocation
- Shareholder value creation

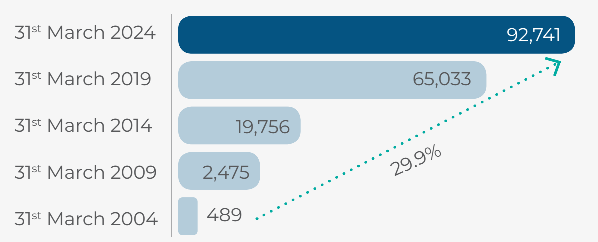
Shareholder Value Creation

We have always focused our efforts in rewarding our shareholders with long term wealth creation for trusting us with their capital.

- Our Market Capitalisation has grown from ₹489 Crore as on 31st March 2004 to ₹92,741 Crore as on 31st March 2024 (implying a CAGR of 29.9% over 20 years).
- Since our Initial Public Offer in the year 1985 till 31st March, 2024 (39 years); we have been able to deliver an Internal Rate of Return (IRR) of 24.4% to our shareholders for their investment in the equity shares of the Company.

Hence our long-term vision is focused on business growth, sustainability and generating greater returns for the providers of our financial capital.

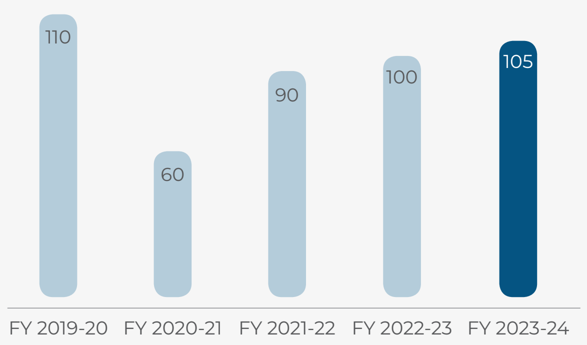
Market Capitalisation (₹ Crore)



Dividend

In line with the Dividend Distribution Policy, we aim to continue sharing the profits with our shareholders by way of consistent and regular dividend pay-outs. Inspite of high capital expenditure incurred in FY 2023-24, we continued with our policy of consistent increase in the dividend payment and declared a healthy dividend of ₹105 per equity share (1050%) of face value of ₹10 each.

Dividend (₹ per share)



Economic Value Creation* (Standalone numbers)

We focus on managing our financial capital prudently to drive sustained economic value generation. Despite the challenges posed by geo-political situations and macro-economic environment, we have delivered strongest financial performance in the history of the company to create greater economic value for our stakeholders including shareholders.

Amount in ₹ Crore

Particulars	FY 2022-23	FY 2023-24
Adjusted Revenues**	19,424	22,566
Revenues from Financial instruments and other sources	432	561
Total Value Added	**19,856**	**23,127**
Operating costs	12,151	12,897
Employee wage and benefits	866	938
Payment to providers of funds	590	639
Payments to government	3,493	4,830
Community investments	70	51
Reinvested to maintain and develop operations	2,686	3,772
Total Value Distributed and Retained	**19,856**	**23,127**

*Numbers have been regrouped/rearranged wherever necessary.
**Revenue includes goods and service taxes (net of input availed).

Prudent capital allocation strategy

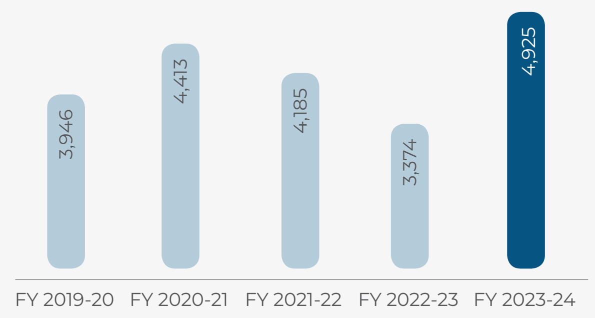
We have been rapidly growing for the last two decades at a CAGR of 16% in capacity addition against industry demand growth of approximately 7%. Despite such a long period of continued high growth in expansion, our Balance Sheet is completely deleveraged, having enough war chest for future growth and expansion. This is because of a very astute capital allocation strategy and our penchant to protect the sanctity of equity.

We have majorly financed all our projects from internal accruals while adopting minute planning and disciplined project execution schedule. Innovative project execution techniques such as collaborating with vendors for getting timely supplies of machines and equipment, extending technical support, etc. have enabled us to complete our projects without slippages, both on cost and time front and sometimes even ahead of timeline. These strong project execution capabilities have enabled us to earn a higher return on capital employed and faster recovery of investment made.

Strong project execution capability

Our strong project execution capability and astute capital allocation strategy have enabled us to grow mainly through organic route. Focus on organic growth has not jeopardised the liability side of our balance sheet, maintaining the sanctity of the equity value consistently resulting in higher valuation for our shareholders. Even while pursuing inorganic opportunity, we have finalised the deal based on the merit and fair valuation rather than under the influence of immediate cashflows of running asset.

Total EBITDA (₹ Crore)

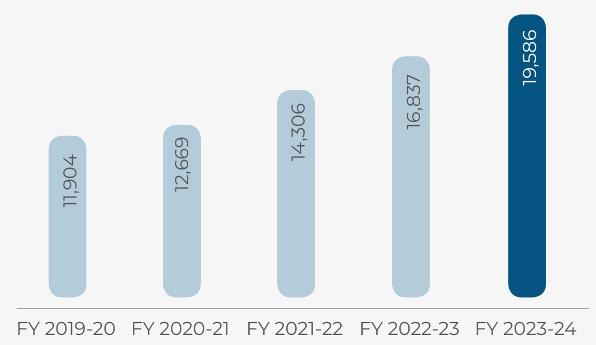


Revenue and Volume Growth

During the year, our net revenue from operations increased by 16% to ₹19,586 Crore as compared to ₹16,837 Crore in FY 2022-23. We reported total sales volume of 35.5 million tonnes during the year, a growth of 12% in comparison to 31.8 million tonnes in FY 2022-23. Our sale volume and revenue in FY 2023-24 was the highest in our history.

In FY 2023-24, cement demand remained robust, as the year saw a significant increase in government infrastructure spending. Our pipeline of projects for expansion as well as focus on sale of premium products and delivering consistent product quality is expected to accelerate the revenue growth in future.

Revenue from Operations (₹ Crore)



Profitability

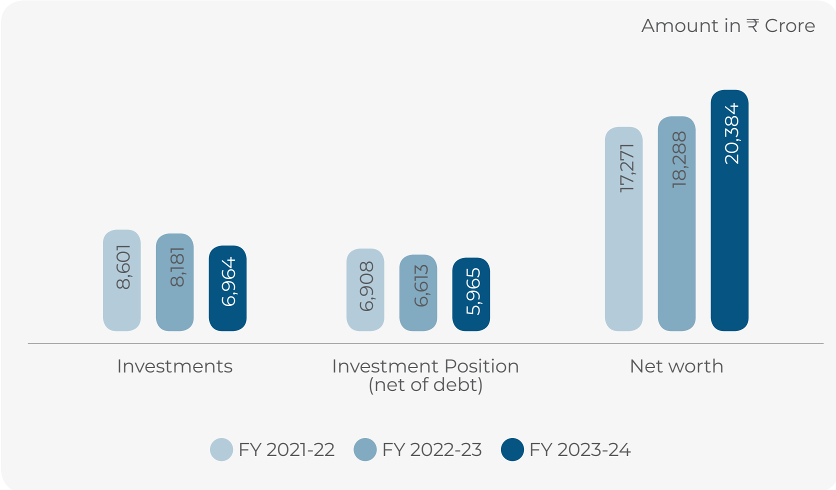
During the year, cement sector has witnessed significant tailwinds on account of softening of imported coal prices which have improved profitability margins for all players. Our total EBITDA increased by 46% from ₹3,374 Crore in FY 2022-23 to ₹4,925 Crore in FY 2023-24 on the back of rising volumes, lower fuel cost, operating efficiencies and major thrust on the digital initiatives. This also led to a jump of 250 bps in EBITDA margin to 25% as compared to the previous year.

Our commitment to financial discipline is a cornerstone of our operational strategy. In today's dynamic economic landscape, maintaining stringent financial discipline is not just a strategic advantage, but a necessity for sustainable growth and long-term success. Our approach ensures that every rupee is effectively utilised to drive value and support our strategic objectives. Our unwavering commitment to financial discipline and risk management has enabled us to deliver consistent performance and value to our stakeholders, even in challenging times.

Mr. Subhash Jajoo
Chief Finance Officer

Strong Balance Sheet

Our solid operational performance has consistently improved our financial position as reflected below:

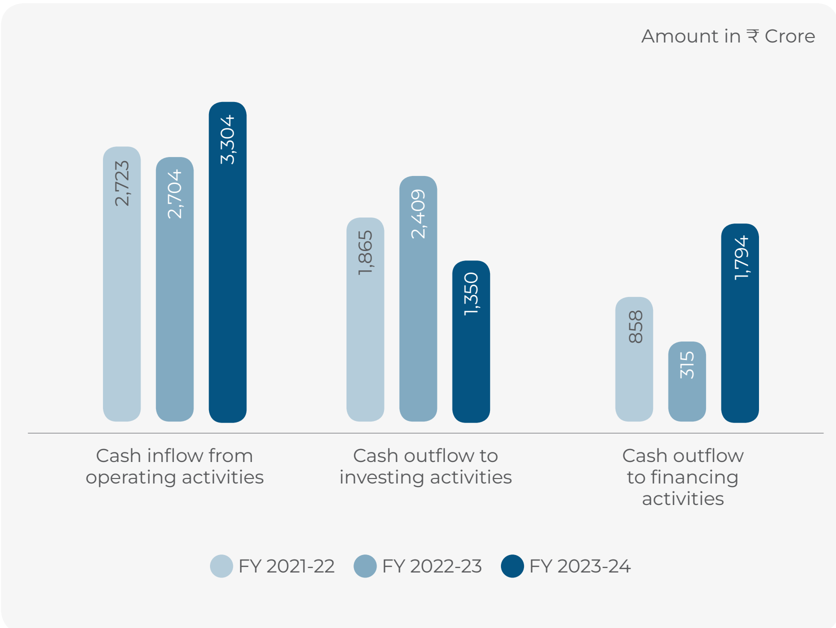


Investments in our Balance Sheet were ₹6,964 Crore as on 31st March, 2024, mostly invested in PSU Bonds/ NCD and Debt Mutual Funds.

We repaid debt of ₹1,168 Crore, thus optimizing our interest cost. Our gross debt as on 31st March, 2024 stood at ₹999 Crore. We ended FY 2023-24 as a net cash company with positive cash of ₹5,965 Crore.

Cash flow position

We have followed a policy of utilising our internal accruals to fund our expansion plans to generate a higher rate of return on capital employed. Improved financial performance over the years have enabled us to fund our aggressive expansion pipeline without overleveraging our Balance Sheet.



Credit Rating

Given our ability to effectively manage financial obligations and continued trust of our lenders, CRISIL Ratings Limited, India's top rating agency has reaffirmed its highest rating of CRISIL AAA/Stable for our long-term bank facilities and CRISIL A1+ for our short-term bank facilities as well as Commercial Paper Issuance. NCD's worth ₹700 Crore issued during the year have also been assigned a CRISIL AAA/Stable credit rating. Similarly, CARE has reaffirmed its highest issuer rating of CARE AAA (Stable) for our long-term bank facilities and CARE A1+ for our short-term bank facilities as well as Commercial Paper Issuance

Our strong credit ratings have helped us to effectively raise funds at competitive cost. Despite a relatively high interest environment, we have managed to control our effective cost of debt capital. Our cost of debt as of 31st March, 2024 is 7.65% p.a. vis-à-vis 7.61% p.a. as of 31st March, 2023.

NCD Issuance

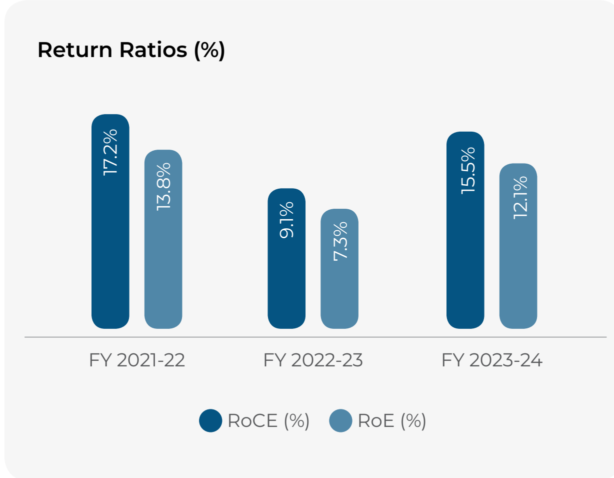
During the year, we issued secured, rated, redeemable, taxable, Non-Convertible Debentures (NCD's) of upto ₹700 Crore for 7 years on private placement basis to certain eligible investors, at a competitive interest rate of 7.80%. The interest will be payable on an annual basis and on redemption, whereas the repayment will be done in 2030.

The proceeds of NCD's were utilised for financing our capital expenditures and green energy projects including reimbursements.

Return Ratios

Our Return on average Capital Employed (RoCE) improved from 9.11% in FY 2022-23 to 15.51% in FY 2023-24 whereas our Return on Equity rose from 7.26% in FY 2022-23 to 12.11% in FY2023-24 on account of increase in profitability due to softening of fuel prices and higher consumption of green power in the operations. We expect the return ratios to further improve in-line with better profitability due to relatively moderate fuel prices and increased consumption of green power.

We believe that with our cost leadership capabilities, prudent capital deployment and strong liquidity position, coupled with the government's thrust on infrastructure development, are strong grounds for an optimistic future.



Manufactured Capital

Scaling Capacity, Crafting Tomorrow

Performance Highlights FY 2023-24

7 MTPA
Cement capacity added in FY 2023-24

4
New Cement projects in progress

77%
Capacity Utilisation

8
Operational Limestone Mines

We are geared up for a smart future, leveraging data analytics and IoT technologies to create intelligent, interconnected manufacturing ecosystems that drive innovation and resilience.

Manufactured capital is a critical building block for our business, necessitating continuous strengthening of assets. With each passing year, we witness a steady increase in capacity, incorporating latest technologies. Looking ahead, we plan to further bolster our production capacities through strategic investments, aligning with the burgeoning demands of urbanisation and industrialisation.

Embracing the shift towards sustainable practices, the integration of ready-mix concrete solutions is poised to cater to specific customer demands while minimising environmental impact.

Complementing our efforts is the commitment to augment green power capacity to power operations and reduce carbon footprint. We are geared up for a smart future, leveraging data analytics and IoT technologies to create intelligent, interconnected manufacturing ecosystems that drive innovation and resilience.

Our Focus Areas

- Achieveing operational excellence
- Capacity expansion
- Diversifying product porfolio
- Increasing use of Alternative Raw Materials
- Increasing use of Alternative Fuels
- Digitalisation

Our Manufacturing Prowess

Manufacturing capacity

Combined production capacity of 53.4 MTPA with 16 locations as on 31st March 2024 in India

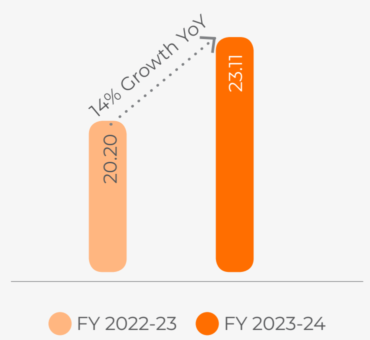
One integrated unit at Guntur, Andhra Pradesh, commissioned in April 2024 taking production capacity to 56.4 MTPA and locations to 17

Power generation capacity of 983 MW as on 31st March 2024

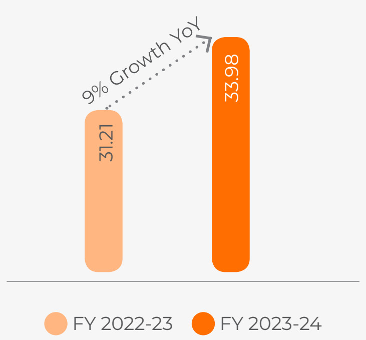
One subsidiary in Ras Al Khaimah, UAE with cement production capacity of 4.0 MTPA

Charting growth: Our Production Capacity

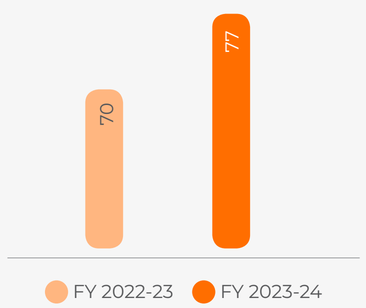
Clinker Production* (Million Tonnes)



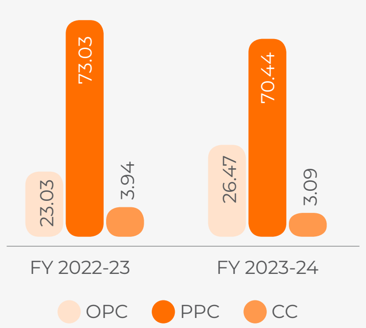
Cement Production (Million Tonnes)



Capacity Utilisation (%)



Category wise Cement Production (%)



* Excluding trial run.

Enhancing Operational Efficiency

Energy and Power

To ensure optimal fuel and power consumption, we take various process efficiency and optimisation measures throughout the year. Clinker energy consumption reduced from 750.5 Kcal to 734.8 Kcal per kg clinker produced. Power consumption increased marginally from 64.9 Kwh during FY 2022-23 to 65.4 Kwh per tonne of cement produced during the reporting year, owing to addition of new plant at Nawalgarh.

Our kilns are equipped to handle multiple fuel types including difficult to co-process waste such as municipal solid waste. We are making investments to establish a comprehensive, end to end solid waste feeding system for consumption of municipal solid waste to substantially enhance the thermal substitution rate through pilot at one of the locations. Upon success, this shall be replicated to other units as well.

Mining

We extracted 35.11 Million Tonnes limestone and handled 34.68 Million Tonnes of overburden and inter-burden material during the year, leading to a 13% increase in material handling as compared to last year.

Mining Initiatives

Placement of crusher 70 m deep within the limestone mine at Nawalgarh helped avoid upgradient transportation of limestone for the entire life of mine, potentially saving 3.84 lac litres of diesel anually.

Introduction of optimised and automated high pressure drill machines at Ras, Nawalgarh, and Raipur mines help save approximately 7.91 lac litres of diesel annually.

By replacing dumpers with tippers for overburden transportation at Nawalgarh, savings of approximately 21 Million Litres of diesel is prospected over the lifespan of the mine.

Implementation of Operator Independent Truck Dispatch System (OITDS) helped save 7.27 Lac of diesel at Ras and Raipur mines by reducing the idle time and efficient use of trucks.

These initiatives demonstrate our commitment to efficiency and sustainability. Given the success of these initiatives, we are exploring implementation at other locations as suitable.

Digitalisation

We have adopted a wide range of digital tools to promote manufacturing excellence. For more details on such initiatives, please refer to the digitalisation section of Intellectual Capital in this Report.

Amplifying Our Operations

Scaling up through capacity growth

During the reporting period, we added 7 MTPA (including Purulia) cement production capacity, bringing our total capacity to 53.4 MTPA. We have projects that are under implementation to increase our total capacity to 72 MTPA upon completion.

FY 2023-24	Projects under implementation	By 2028
Total Capacity 53.4 MTPA		**Total Capacity** >80 **MTPA**
Purulia Cement Grinding Unit **3.0 MTPA**	Guntur Integrated Unit* **3.0 MTPA**	
Burudih Cement Grinding Capacity Enhancement **0.5 MTPA**	Etah Cement Grinding Unit **3.0 MTPA**	
Nawalgarh Integrated Unit **3.5 MPTA**	Jaitaran Integrated Unit **6.0 MTPA**	
	Kodla Integrated Unit **3.0 MTPA**	
	Baloda Bazaar Cement Unit **3.4 MTPA**	

* commissioned in April, 2024

Expanding our Portfolio: Ready Mix Concrete

Our expansion into the Ready-Mix Concrete (RMC) business under the brand of Bangur Concrete marks a significant milestone in the growth trajectory. During the year, we finalised an Asset Purchase Agreement for acquiring five RMC Plants in the Mumbai Metropolitan Region.

In addition to the acquisition, we commissioned the first greenfield RMC facility with a capacity of 90 m³/hour at Hyderabad. With plans to establish approximately 100 RMC plants over the next three years in around 50 cities, we aim to generate approximately 3,000 direct and indirect employment opportunities.

We will introduce a diverse range of specialised concrete solutions tailored to meet various structural demands and applications. These solutions include Self-Compacting Concrete, Temperature-Controlled Concrete, Decorative Concrete, Fibre-Reinforced Concrete, Green Concrete, and High-Performance Concrete. By offering application-specific concrete solutions, we ensure the timely completion of projects and the construction of durable structures across various sectors.

A key differentiator for Bangur Concrete lies in the commitment to sustainability and environmental responsibility. We emphasise on environment friendly practices across our plants, implement optimised mix designs and utilise best mineral admixtures. Through these initiatives, we aim to deliver sustainable, eco-friendly solutions to our customers while maintaining operational excellence and industry leadership.

Enhancing Connectivity

We have made significant investments in railway infrastructure for developing railway sidings near our plants.

By strategically locating railway sidings, we aim to streamline our logistics operations, reduce transportation costs, and improve overall supply chain efficiency. We further aim to rationalise freight costs and establish alternative transportation capabilities .

Railway siding facilities

Sr. No.	Site	Type of siding	Type of Goods handled
1	Beawar	Existing	Cement, Clinker, Fuel, Raw Material
2	Ras	Existing	
3	Baloda Bazar	Existing	
4	Saraikela Kharsawan	Existing	
5	Pune	Existing	
6	Kodla	Existing	
7	Roorkee	Existing	Clinker, Raw Material
8	Aurangabad	Existing	Clinker, Cement, Raw Material
9	Panipat	Existing	Clinker, Raw Material
10	Purulia	Existing	Clinker, Cement, Raw Material
11	Suratgarh	Upcoming	Clinker, Cement, Raw Material
12	Etah	Upcoming	Clinker, Cement, Raw Material
13	Guntur	Upcoming	Clinker, Cement, Fuel, Raw Material

Ensuring Raw Material Security

Limestone and Coal Mine

We actively participate in limestone mine bidding processes to secure essential resources for our operations. We have eight existing operational mines with approximate 2,800 Million Tonnes of limestone reserves. Further bolstering our resource base, we have secured limestone mines at five new locations with around 500 Million Tonnes mineable reserves.

Furthermore, to cater to our captive requirements, we have secured a dedicated coal mine in Chhattisgarh with coal reserves of 4.3 Million Tonnes.

Procurement of Raw Materials

We have entered into agreements and contracts for the procurement of various raw materials. These agreements cover a wide range of materials including fly ash, gypsum, slag, and other materials associated with clinker and cement production. During the reporting year, more than 90% of our raw materials were sourced through these agreements and contracts. This streamlined approach ensures consistent availability and reliability in our supply chain, supporting our operational efficiency and continuity.

> We are strengthening our manufacturing prowess through capacity expansion spreading to new geographies. With 77% capacity utilisation and addition of 7 MTPA capacity, the year marks as a new milestone in our journey. Along with geographical expansion, we are also expanding our business portfolio by venturing to Ready Mix Concrete business.
>
> **Mr. Satish Maheshwari**
> Chief Manufacturing Officer

Human Capital

Building Smarter with Talent

Performance Highlights FY 2023-24

1,460
New hires

1,14,431
Man Hours of Training

Mr. H.M. Bangur recognised among
India's most trusted leaders
by GPTW

Our employees play a critical role in our quest to 'build smart'. We recognise the importance of an agile workforce and focus on facilitating integrated growth by strategic people management process.

Our employees play a critical role in our quest to 'build smart'. We recognise the importance of an agile workforce and focus on facilitating integrated growth by strategic people management process. Our efforts in creating an inclusive and safe workplace resulted with us being recognised as Great Place to Work (GPTW) in Manufacturing for six years in a row.

Our Focus Areas

- Human Capital Development
- Employee Wellbeing
- Leveraging Digitalisation
- Occupational Health and Safety

Diverse workforce

Our diverse workforce helps in bringing different perspectives and skillsets. We celebrate and embrace differences in culture, background, experiences and perceptions. We continue to stay committed to providing an inclusive and safe work environment, thus enabling our employees to bring out their best version. We do not discriminate our employees on the basis of gender, caste, nationality, religion or any other differentiating factor.

Details of Employees and Workers

Particulars	<30 years		30-50 years		> 50 years		Total Number		Percentage (%)		Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Permanent Employees	1,328	12	4,793	45	763	3	6,884	60	99.1	0.9	**6,944**
Other than Permanent Employees	144	-	322	1	86	1	552	2	99.6	0.4	**554**
Total Employees	**1,472**	**12**	**5,115**	**46**	**849**	**4**	**7,436**	**62**	**99.2**	**0.8**	**7,498**
Permanent Workers	-	-	62	-	67	-	129	-	100	-	**129**
Other than Permanent Workers	4,342	2	8,433	147	709	43	13,484	192	98.6	1.4	**13,676**
Total Workers	**4,342**	**2**	**8,495**	**147**	**776**	**43**	**13,613**	**192**	**98.6**	**1.4**	**13,805**

At present, all our permanent and contractual workforce are of Indian origin.

Employment of differently abled

We have five male permanent employees who are differently abled constituting 0.07% of total male permanent employees and 0.07% of total permanent employees. All our corporate and plant offices are designed to be accessible to differently abled employees in line with the Rights of Persons with Disabilities Act, 2016.

Hiring and Turnover

During the reporting period, we hired 1,460 new employees. The average hiring cost per full time employee during the reporting period was ₹16,591.

Employees Hired	< 30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	Total
Junior Management	603	10	585	9	4	-	1,211
Middle Management	4	-	178	6	16	-	204
Senior Management	-	-	25	-	20	-	45
Total	**607**	**10**	**788**	**15**	**40**	**-**	**1,460**

The total employee turnover rate was recorded at 11.9% while the worker turnover rate was 9.3%. Further, the voluntary employee turnover rate was 10.6%.

Employee and Worker Turnover

Turnover Rate	FY 2021-22			FY 2022-23			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
By Employment Type									
Permanent Employees	9.9%	2.7%	9.8%	12.1%	4.9%	12.1%	11.9%	10.0%	11.9%
Permanent Workers	8.2%	-	8.2%	12.8%	-	12.8%	9.3%	-	9.3%
By Age									
<30 years	13.3%	-	13.2%	13.7%	-	13.7%	17.5%	8.3%	17.4%
30-50 years	8.4%	3.7%	8.3%	9.9%	6.3%	9.9%	10.5%	8.9%	10.5%
>50 years	13.3%	-	13.2%	23.2%	-	23.1%	9.5%	33.3%	10.7%

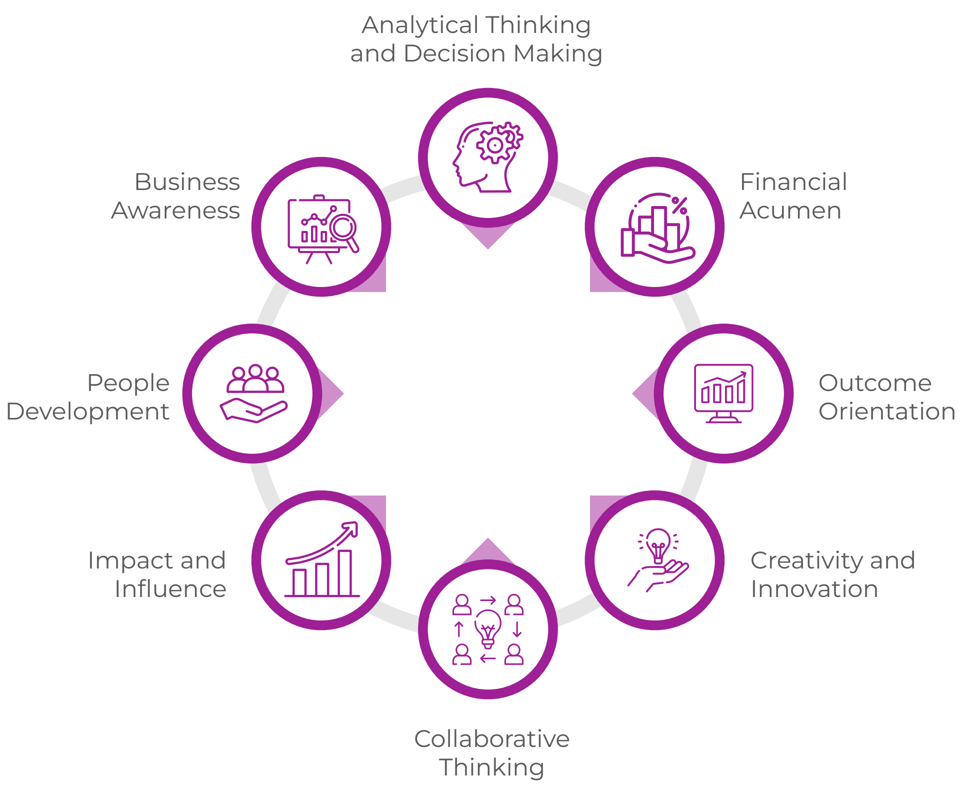
We provide equal employment opportunities to all the candidates without any discrimination in line with our policy on Non-Discrimination and Anti-harassment.

Fostering Employee Growth

Learning and development are the foundation of employee growth, empowering individuals to adapt, innovate and thrive in an ever-evolving landscape. We believe that investing in continuous learning enhances and improves skills. Our training includes topics such as compliance, technical/functional, upskilling and behavioral training, among others. The topics are identified based on the needs of our workforce through training need assessment.

We also have a platform 'Steps' that focuses on a modular learning approach. Apart from this, there are trainings by internal and external trainers on select topics. During the year, we invested ₹46 lac for training and development needs of our employees.

We have internally developed a leadership framework focused on behavioral trainings which include the following eight traits.



Training Hours

Average training hours per employee (FY 2023-24)			
Category	**Male**	**Female**	**Total**
Senior Management	26	3	25
Middle Management	34	41	34
Junior Management	13	13	13
Total	**16**	**20**	**16**

Employee and Worker Training

Category	FY 2022-23					FY 2023-24				
	Total	Health and Safety measures		Skill upgradation		Total	Health and Safety measures		Skill upgradation	
	No. (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent employees										
Male	6,269	1,350	21.53%	4,719	75.28%	6,884	2,645	38.4%	4,532	65.83%
Female	41	9	21.95%	28	68.29%	60	14	23.3%	32	53.33%
Total	**6,310**	**1,359**	**21.54%**	**4,747**	**75.23%**	**6,944**	**2,659**	**38.3%**	**4,564**	**65.73%**
Permanent workers										
Male	141	22	15.60%	53	37.59%	129	98	76%	72	55.81%
Female	-	-	-	-	-	-				
Total	**141**	**22**	**15.60%**	**53**	**37.59%**	**129**	**98**	**76%**	**72**	**55.81%**

Enhancing Employee Experience

We consider employee wellbeing crucial for our company. Our wellbeing initiatives and engagement practices resulted in employees feeling motivated, leading to higher productivity and creativity and an overall positive work culture.

100% of our permanent employees, other than permanent employees, permanent workers and other than permanent workers are covered as a part of wellbeing benefits such as health insurance, accident insurance. Our female workforce (permanent and other than permanent employees and workers) are covered under maternity benefits and day care facilities, as per applicable regulatory requirements. During the year, two female employees availed parental leave and both of them returned to work in the reporting period. Our return-to-work rate and retention rate was 100% for FY 2023-24. 100% of our permanent employees and permanent workers are covered under provident fund, gratuity

India's Most Trusted Leader

Great Place to Work ® is the most definitive 'Employer-of-Choice' recognition that is recognised world over by employees and employers alike and is considered the 'Gold Standard' in identifying and recognizing Great Workplace Cultures. Every year, more than 10,000 organisations across 60 countries apply for this recognition.

The recognition is given based on level of Pride in the Organisation, Credibility of the Leadership and Trust, Respect, Fairness and Teamwork among employees. All companies which are recognised are therefore the defining benchmarks for employee happiness and engagement in their respective sectors and the country.

Shree Cement has been achieving the benchmark score year on year. We were awarded among the Top 100 in 2018, 2020 and 2021 and among Top 50 in 2022. In addition we have been recognised among the Top 25 in Manufacturing sector and among the Best in Cement & Building Materials.

Our consistent performance is a testimony of our leadership that has been able to maximize the performance and potential of our employees through meaningful values, and a deep foundation of trust with all employees, building a workplace where everyone is connected, can and contribute their best.

As a recognition for our consistent performance, Great Place to Work India recognised our Chairman, Mr. Hari Mohan Bangur among India's Most Trusted Leaders in the year 2023.

and ESI benefits, as applicable. The cost incurred towards well being measures (including permanent and other than permanent) amounted to 0.11% as a percentage of total revenue of the company for the reporting year and the previous year.

In addition to this, we have sports facilities for resident colonies and also conduct tournaments at regular intervals. Flexible working hours are also provided to corporate office employees. Our plants and units have childcare facilities for our employees and workers as per the statutory requirements.

We regularly conduct internal assessments to identify improvement areas in our workspace. Additionally, we participate in the Great Place to Work survey which help gauge our performance at workplace against five dimensions i.e., High-Trust, High-Performance Culture – Credibility, Respect, Fairness, Pride and Camaraderie.

WeLead

Transformation and change come into effect when it reaches every stakeholder. WeLead is an endeavour to connect till the last mile of employees and achieve performance that takes our organisation to the next level. With a focus on achieving quality standards, manufacturing efficiency and sales volumes, WeLead is focused on creating new standards of excellence.

We undertook the digitalisation journey for our people processes through Darwinbox, automating our entire employee life cycle. More details about this application are available in Intellectual Capital section of the Report.

100% of our permanent employees and permanent workers are paid more than minimum wages as per applicable regulations. The ratio of basic salary of women to men for employees in senior, middle and junior management are 0.17, 1.23 and 0.99 respectively. The gross wages paid to female employees as % of total wages paid during FY 2023-24 stood at 1.0% as compared to 0.8% in previous year.

Our senior management consists of General Manager and above (excluding directors), middle management consists of Manager to Additional General Manager whereas, our junior management consists of employees below Manager designation.

Remuneration

Category	Male		Female	
	Number	Median Remuneration (₹ Lac)	Number	Median Remuneration (₹ Lac)
Board of Directors (Working Directors)	3	3104.0	-	-
Key Managerial Personnel/Management	2	198.8	-	-
Employees other than BoD and KMP	6,879	6.9	60	8.4
Workers	129	6.1	-	-

Job creation

The job creation in smaller towns i.e. wages paid permanent, non-permanent and on contract employees as % of total wage cost in various locations is demonstrated below.

Location	FY 2022-23	FY 2023-24
Rural	62.43%	56.26%
Semi-urban	1.29%	1.27%
Urban	7.45%	6.11%
Metropolitan	28.84%	36.35%

> Our people are our biggest asset. No organisation can thrive without the continuous support and commitment of its people. From providing equal opportunities, regular upskilling and employee wellbeing initiatives to ensuring a safe and diverse workplace, we ensure no stone is unturned to manage our human capital. These efforts cumulatively led to us being Great Place to Work (GPTW) certified consecutively for six years in a row. We are aiming for greater heights with our people as our strength.
>
> **Mr. Vinod Chaturvedi**
> Chief Human Resource Officer

Performance Evaluation

We conduct regular performance evaluation of our employees wherein we provide them review based on their annual performance. This is tracked through the Specific, Measurable, Achievable, Relevant and Time bound (SMART) goals or objectives that all our employees set at the beginning of the year. Additionally, team based performance appraisal involving department's and function's performance is integrated in the overall employee performance assessment. 100% of our permanent employees and permanent workers were covered as a part of performance evaluation for the reporting period as well as for the previous financial year.

Upholding Human Rights

Our **Human Rights Policy** states our commitment to uphold human rights within all our processes and practices. Our business agreements and contracts contain a non-negotiable compliance requirement for upholding human rights. The human rights issues and impacts are overseen by the Chief Human Resource Officer. We provide equal opportunities, and uphold the right of workers and employees to freedom of association and collective bargaining. All our permanent workers are covered by collective bargaining agreements, constituting 1.8% of our permanent workforce. Further to this, 100% of our permanent workers are members of recognised trade unions. During the year, there were no violations of collective bargaining rights.

Our human rights due diligence process includes compliance related requirements. It starts from risk identification in own operations, value chain, and new businesses including mergers and acquisitions. While screening human rights issues for our stakeholder groups such as employees, migrant workers, women, third party employees etc., we take into consideration multiple aspects such as discrimination, forced labour, child labour, freedom of association, right to collective bargaining and equal remuneration.

During the year, 100% of our own sites were assessed for human rights risks such as child labour, forced labour, sexual harassment, discrimination at workplace and wages. We did not identify any actual or potential adverse impacts at any of our operating locations. Therefore, there was no requirement to modify the business process as a result of addressing human rights issues.

We follow zero tolerance principle to harrassment at workplace. We comply with all the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. We have set up Internal Complaints Committees at all operational locations to address complaints related to sexual harassment at workplace. The committees consist of five members with more 50% female representation and one external representative. The complaints can be registered by writing a letter or sending an email to the complaints committee or through the email id **posh@shreecement.com.** Any complaint received is investigated promptly and thoroughly. We did not receive any complaints or cases of sexual harassment, discrimination, child and forced labour in the current and previous reporting year.

We regularly conduct human rights training for our employees and workers. The training modules equips the employees with the knowledge to identify and prevent human rights abuses and create a culture of respect and inclusion in the workplace.

Human Rights Training

Category	FY 2022-23			FY 2023-24		
	Total (A)	Numbers covered (B)	% (B/A)	Total (C)	Numbers covered (D)	% (D/C)
Employees						
Permanent employees	6,310	3,864	61.24%	6,944	3,544	51.04%
Other than Permanent employees	924	-	-	554	-	-
Total employees	**7,234**	**3,864**	**53.41%**	**7,498**	**3,544**	**47.27%**
Workers						
Permanent workers	141	75	53.19%	129	112	86.82%
Other than permanent workers	12,566	12,566	100%	13,676	13,676	100%
Total Workers	**12,707**	**12,641**	**99.48%**	**13,805**	**13,788**	**99.88%**

Grievance Mechanism

We have a well-structured grievance redressal mechanism to address and resolve any complaints. Complaint Boxes, monitored by the plant HR team are placed at prominent places across all plant locations. All grievances can be reported through the complaint boxes in written form which are addressed promptly to the satisfaction of all the parties involved. Complaints can also be submitted using dedicated email id - **grievance@shreecement.com.**

In addition to this, our **whistleblower policy** aids our employees, workers and other stakeholders to raise any concerns.

During the year, we received one complaint related to wages for employees and workers vis-à-vis five complaints in the previous reporting period which were resolved promptly to the satisfaction of all the parties.

Cultivating a Culture of Safety

We have robust safety management practices and systems in place supported by standard operating procedures to drive safety at the workplace. All our manufacturing facilities are ISO 45001 certified except Nawalgarh, which began operations within the reporting year and is under the process of certification. Our **Operational Health and Safety (OHS) Policy** covers all our employees, workers, suppliers, third-party agencies, contractors, and visitors. Safety committee at each operational location is tasked to monitor safety of each employee and worker. Safety related details are shared on a quarterly basis to the Board of Directors. In addition to this, to identify potential risks, we carry out Hazard Identification and Risk Assessment (HIRA) in our operations.

Our mitigation strategy includes procedures to investigate work related injuries, trainings, mock drills, safety inspections and safety audits to reduce risks and accidents at workplace. Our onsite emergency control plan prepared in accordance with the Factories Act, 1948 acts as an guiding document for emergency procedures. We ensure that we take appropriate actions in case of occurrence of any unforeseen and unfortunate incident to prevent any such instance in the future. We are committed to achieve 'zero injury' at all our operations and workplace. We ensure that we track progress against our targets to improve our performance. As a part of corrective action plans, we have implemented few initiatives such as use of proper working platform, not to use temporary structure for height work, ensuring use of specific arc flash protective clothing, road safety awareness programmes and others. During the year, 100% of our operations were assessed for health and safety practices and working conditions. We received one grievance on working conditions i.e. distribution of oil and jaggery to O&M supply contract employees and same was resolved.

We also give our contract workers and employees access to prompt, good-quality healthcare services. Every major plant location has a 'Wellness Management Centre' (WMC) developed by us. Appropriate facilities and skilled physicians help us carry out healthcare services effectively at all our locations. We also run annual health check-up programs for contract and employee personnel, as well as their families.

One Day Safety Officer- Strengthening our safety culture

We have implemented "One Day Safety Officer" initiative to strengthen and promote the safety culture in the plant at one of our locations. This has imbibed a sense of safety accountability and ownership among all associates.

The objective of the initiative involves nominating a new employee every day as Safety Officer who would conduct plant safety rounds and submit an observation report to Safety Department at the end of the day. The Safety Department then categorises these observations into high/ medium/ low risk and shares this report to the concern department head.

This results in the concerned department taking corrective and preventive actions immediately while also inculcating a culture of safety in day-to-day work.

Our Safety Performance

Category	Unit	FY 2022-23		FY 2023-24	
		Employees	Workers	Employees	Workers
Lost Time Injuries	Number	1	3	2	4
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Number/ million hours	0.10	0.11	0.14	0.10
Total Recordable work-related injuries*	Number	1	3	2	4
Total Recordable Injury Frequency Rate (TRIFR)	Number/ million hours	0.10	0.11	0.14	0.10
Total Man-hours worked	Hours	95,66,707	2,79,56,146	1,42,91,132	3,88,89,889
Fatalities	Number	0	2	0	1
Total number of affected employees/ workers	Number	1	5	2**	5**
No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	Number	0	2	0	2

* The number of total recordable work-related injuries is the same as high consequence work related injury excluding fatalities
** Under treatment/paid accidental leave as applicable

Natural Capital

Nurturing Nature's Wealth

Performance Highlights FY 2023-24

>7 times
Water Positivity

55.9%
Share of green electricity in total electricity consumption

10.95%
Alternate Fuel Rate (in terms of fuel quantity)

8.4 million
tonnes of CO_2 emissions avoided

We continue to identify and implement new technologies and leverage opportunities to innovate our processes and drive growth, while optimizing use of natural resources.

With 'Build Smart', we are paving way for a tomorrow characterised by integrated solutions with minimised environmental impacts. Our **Corporate Environment Policy** underpins our commitment to ensure clean, green, healthy and sustainable environment. We conduct regular internal and external audit of various environmental indicators including energy and water to identify areas of improvement.

Through steps like use of municipal STP water for processes and increasing consumption of green electricity within total electricity consumption, we are positioning ourselves to be the pioneers for building a smarter and resilient tomorrow.

Our Focus Areas

- Climate Change Resilience and Decarbonisation
- Green Energy
- Energy Efficiency
- Circular Economy
- Water Stewardship
- Biodiversity Management

Investing for Tomorrow: Environmental Action

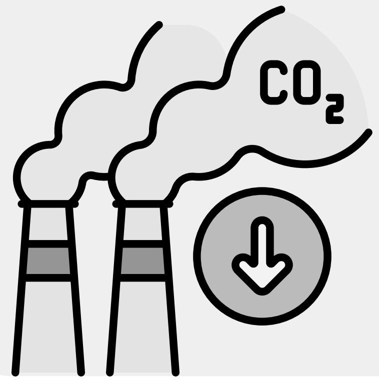
We have an Environmental Management System (EMS) with ISO 14001 certification for 100% of our manufacturing sites except Nawalgarh, which began operations within the reporting year and is under the process of certification. In addition to the ISO certification, all our plants undergo environment management audit through various regulatory agencies.

We comply with applicable laws, and aim to exceed regulatory expectations wherever possible. We had no environment related non-compliance during the reporting year. Further, there were no environmental violations for the current/ previous reporting years and hence there were no fines or penalties accrued/paid related to environmental violations.

Climate Governance and Strategy

Climate governance at Shree Cement is overseen by the CSR and Sustainability Committee of the Board. The Board has the overall responsibility of guiding and steering the climate change vision and strategy. The Board also oversees the major capital expenditure as part of new project approvals and periodically reviews statutory compliances. The climate related aspects are on the agenda of the Board meeting on a periodic basis, at least annually. Further, we also have an executive level sustainability committee (ESG Committee) chaired by Managing Director, responsible for the execution of strategy and performance against key metrics and targets.

We have set emission reduction targets at corporate level which have been validated by Science Based Target Initiative (SBTi). Accelerating decarbonisation efforts will support in reducing negative impact on climate change and contribute to meeting our climate change mitigation targets.



Reduce Net Specific Scope 1 emissions by 12.7% per tonne of cementitious material by 2030 from base year 2019

Reduce Specific Scope 2 emissions by 27.1% by 2030 from base year 2019

With the growing climate change crisis globally, we are assessing the impact of physical and transition risks on our operations. Climate risk assessment is integrated into our Enterprise Risk Management (ERM) framework and climate change is identified as the one of the top business risks. Basis the risk assessment, we have set up physical climate risk adaptation plan covering all our operations, with measures outlined for the long term. More details are covered in risk management section of this Report.

We have integrated climate change issues including attainment of set targets with management incentives. The CEO (MD) compensation is linked to various ESG performance indicators including achievement of targets on climate change, energy efficiency and reduction in emissions intensity. The performance linked incentives of the executives and unit heads responsible for managing climate change supports a culture of continuous improvement at all levels.

Embracing Clean Energy Transition

Our focus is to ensure best in class energy management practices and promote judicious energy consumption.

In our operations, fuel (conventional, alternative fuels and biomass) is used for combustion in kilns and power generation. In the reporting year, our total energy consumption within the organisation stood at 1,09,206.42 TJ, with renewable energy accounting to 6,498.40 TJ.

Green electricity contributed to 55.9% of our total power consumption leading to an emission avoidance of 0.94 Million Tonne CO_2 in the current fiscal year.

Energy Consumption

Energy Consumption across the manufacturing locations is provided within the table below:

Parameter	Unit	FY 2022-23			FY 2023-24		
		Renewable Source	Non-Renewable source	Total	Renewable Source	Non-Renewable source	Total
Electricity consumption	TJ	3,892.02	3,725.34	7,617.36	4,736.48	3,737.14	8,473.62
Fuel consumption	TJ	1,771.90	78,339.94	80,111.84	1,761.92	98,970.87	1,00,732.79
Total energy consumed	**TJ**	**5,663.92**	**82,065.28**	**87,729.20**	**6,498.40**	**1,02,708.01**	**1,09,206.41**

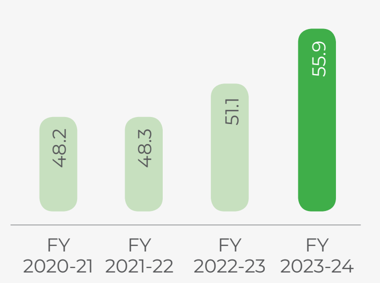
The values of electricity and fuel consumption for previous reporting year have been restated due to inclusion of Shree Mega Power Plant in the reporting boundary.
Further, energy consumption outside the organisation stood at approximately 4.3 Million GJ during the reporting year.

Enhancing Share of Green Electricity

We are continuously enhancing green electricity consumption in our operations and reduce dependence on conventional energy sources. Our green electricity sources include solar, wind and Waste Heat Recovery (WHR). Our green electricity capacity stood at 480 MW in the reporting year, demonstrating 24.6% increase from FY 2022-23. Green electricity contributed to 55.9% of our total power consumption leading to an emission avoidance of 0.94 Million Tonne CO_2 in the current fiscal year.

Considering renewable component of grid electricity, green electricity contribution stood at 60.63% within total electricity consumption in the reporting year.

Share of green electricity in total electricity consumption (%)



Our Commitment to RE100

We have committed to RE100, a global initiative bringing together influential businesses, to shift to 100% renewable electricity by 2050. This highlights our dedication to reduce carbon footprint and adopting environment friendly practices.

We are committed to not adding any new thermal power capacities. Significant investments have been made to expand solar and wind electricity portfolio, with 236 MW solar and wind power plants installed across India. Additionally, new renewable energy plants are under installation at various locations.

Energy Intensity

The energy intensity per Crore Rupees turnover, per Crore USD turnover adjusted to PPP and per tonne cement produced is shown below:

Energy Intensity	FY 2022-23	FY 2023-24
Energy intensity per Crore Rupees turnover – TJ/INR Cr	5.2	5.6
Energy intensity per Crore USD turnover adjusted to PPP – TJ/$	119.2	127.6
Energy intensity per tonne Cement – GJ/ tonne Cement*	2.5	2.7

*Energy intensity per tonne of cement is estimated based on total energy consumption for cement production and captive power generation.

Perform, Achieve, Trade: Our Performance

Our units were notified under PAT I, II, III, VI, VII and VIII. The table below illustrates out PAT performance across the cycles:

PAT Cycle	Units Notified	Baseline Year	Target Year	Targets Status	ECerts Issued
I	2 (Beawar and Ras)	2007-10	2014-15	Overachieved	158,257
II	3 (Beawar, Ras and Shree Mega Power)	2014-15	2018-19	Overachieved	101,195
III	1 (Raipur)	2015-16	2019-20	Overachieved	12,222
IV & V	No Shree Cement unit notified				
VI	6 (Roorkee, Khushkhera, Jobner, Panipat, Bulandshahr, Bihar)	2016-19	2022-23	Overachieved	Entitled to claim 11,126 ECerts
VII	5 (Beawar, Ras, Raipur, Shree Mega Power, Kodla)	2018-19, 2019-20 and 2020-21 (as applicable)	2024-25	Under progress	-
VIII	2 (Suratgarh, Jharkhand)	2019-20, 2020-21, 2021-22	2025-26	Under progress	-

The overachievement of targets is a result of our meticulous planning and adoption of energy efficient technologies. We are trading the EScerts earned from PAT I and II through Indian Energy Exchange (IEX). We were also awarded the 'Best Performer' award for energy saving under PAT Cycle I & II by Bureau of Energy Efficiency (BEE).

Energy Conservation Initiatives

We have taken multiple initiatives during the reporting year such as use of energy efficient equipment, equipment modification, optimisation of processes, enhancing renewable electricity capacity, among other measures resulting in annualised electricity saving of 921.23 lac units and 28.23 TJ of fuel. These initiatives also resulted in avoiding 68,446 tonnes of CO_2 emissions. In addition, we have defined targets for our manufacturing locations to reduce energy consumption.

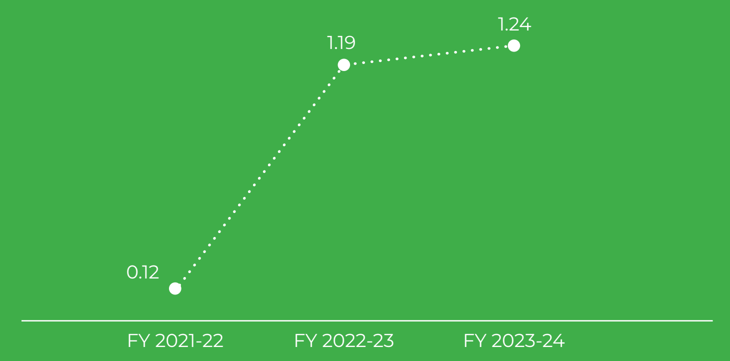
We also conduct trainings and awareness for our internal stakeholders to raise awareness for reduced energy consumption The total expenses for energy conservation initiatives as well as the annualised savings from the initiatives are disclosed below:

Category	FY 2021-22	FY 2022-23	FY 2023-24
Capital Investments (₹ Crore)	36.71	42.55	189.87
Annual savings and cost avoidance (₹ Crore)	21.59	28.09	60.25

We recognise the importance of managing natural resources efficiently and judiciously. As a company, we have integrated sustainable practices through our operations to reduce any negative impact on environment. Our commitment to RE100 to shift to 100% renewable electricity by 2050 stands as a testament to this. From greening our operations to reducing water consumption to minimising biodiversity loss, we have always been an eco-conscious organisation.

Mr. M.M. Rathi
Jt. President (Power Plant)

Quantity of biomass consumed (values in lac tonnes)



Increasing biomass for energy use

We have established systems to replace 100% of coal with biofuel in all our grinding units. This shift towards biofuels not only benefits the environment by reducing the carbon footprint, but it also plays a crucial role in combating air pollution from open burning of agricultural waste such as stubble (Parali). We utilised a total of 1.24 lac tonnes of agricultural waste during the reporting year as compared to 1.19 lac tonnes in the previous year. This resulted in the replacement of more than 352.15 billion kCal heat from fossil fuel in the reporting year against 308.75 billion kCal in the previous year and avoid around 1.4 lac tonnes and 1.2 lac tonnes of CO_2 emissions respectively.

Our Thermal Substitution Rate (TSR) within kilns stood at 2.37% and alternate fuel consumption rate (in terms of quantity) stood at 10.95% within total fuel consumption for cement operations for FY 2023-24.

Accelerating the Use of Alternative Fuel

We are substituting conventional fuels with alternatives fossil fuels such as Refuse Derived Fuels (RDF) from municipal solid waste, hazardous waste as fuels from industries and agricultural waste (crop-residue). Co-processing helps to gainfully utilize heat of alternative fuels, and minimize the environmental impact such as air pollution and land degradation. We increased consumption of hazardous waste fuels accounting to 2.42 lac tonnes during the reporting year vis a vis 2.06 lac tonnes during the previous year, replacing 139.99 billion kCal and 83.23 billion kCal respectively.

Our Thermal Substitution Rate (TSR) within kilns stood at 2.37% and alternate fuel consumption rate (in terms of quantity) stood at 10.95% within total fuel consumption for cement operations for FY 2023-24.

Our total Extended Producer Responsibility (EPR) liability under the Plastic Waste Management Rules, 2016 for plastic packaging during the current reporting year stood at 42,414.41 tonnes which is being fully complied in line with the provisions of the EPR rules.

Measuring our Carbon Footprint: Emission Management

Our net specific Scope 1 emission stood at 542 kg CO_2e / tonne of cementitious material and specific Scope 2 emissions were at 10.5 kg CO_2 / tonne of cementitious material during the reporting year. The combined specific Scope 1 and Scope 2 emissions stood at 552 kg CO_2e/tonne cementitious material during the reporting year compared to 535 kg CO_2e/ ton cementitious material during previous year.

GHG Emissions

Parameter	Unit	FY 2022-23*	FY 2023-24
Gross Scope 1 Emissions	'000 tCO_2e	18,335	21,946
Net Scope 1 emissions	'000 tCO_2e	16,723	19,119
Scope 2 Emissions (location based)	'000 tCO_2e	435	370

The gases included are CO_2, CH_4 and N_2O

*Values restated by including Shree Mega Power and Renewable Energy Certificates purchased

Further gross emission intensity per rupee of turnover stood at 1,139 tonnes CO_2e/₹ Crore and 1,115 tonnes CO_2e/₹ Crore in the current and previous reporting years respectively. The emission intensity adjusted to PPP was 26,071.5 tonnes CO_2e/ USD Crore for FY 2023-24 as compared to 25,507.7 tonnes CO_2e/USD Crore in FY 2022-23.

Scope 3 Emissions

As per guidance provided by World Business Council for Sustainable Development (WBCSD) for cement sector and our internal analysis, we have identified the following six categories as the most relevant for our business. We calculate Scope 3 CO_2e emissions in line with GHG Protocol's Scope 3 Standard. The Scope 3 intensity stood at 16 and 17 tonnes CO_2/₹ Crore turnover in the current and previous year respectively.

Category	Description	FY 2023-24 (tCO_2e)
Category 3	Fuel-and-energy-related-activities (Transport and distribution of fuel)	23,223
Category 4	Upstream transportation and distribution (Transportation and distribution of Raw material)	98,747
Category 6	Business travel	643
Category 7	Employee commuting	573
Category 8	Upstream Leased Assets	2,947
Category 9	Downstream transportation and distribution (Cement Transport)	1,82,618
Category 13	Downstream Leased Assets (Guest house Fuel and Electricity)	1,933
Total Scope 3 Emissions		**310,685**

Targeting Clean air: Air emissions management

We are cognizant of the adverse effects air emissions have on the environment and human health. Stack emissions are monitored regularly to ensure adherence to applicable air quality standards. We surpass these requirements by utilising state of the art air pollution control technology and measures. Our stack emissions are shown in the table below:

Parameter	Unit	FY 2022-23	FY 2023-24
NOx	MT	11,910.3	14,262.32
SOx	MT	64.8	64.8
Direct Mercury Emissions	MT	0.0225	0.0255
Particulate matter (PM)	MT	404.1	465.5
Persistent organic pollutants (POP)	ng TEQ / Nm3, corrected to 10% O_2	0.021	0.014
Volatile organic compounds (VOC)	mg/Nm^3	0.0004	0.0004

Our Ozone Depleting Substance (ODS) emissions during the reporting period were 0.08 MT of CFC11 eq.

Our Blended Cement Portfolio

Our wide range of blended cement varieties help cater to varied customer needs. Use of blended cement reduces the consumption of natural resources like limestone and fuel, thus lowering greenhouse gas emissions. Our blended cement products are certified under the prestigious Green Pro ecolabel by Confederation of Indian Industry (CII). This Green Pro certification demonstrates our commitment to sustainable practices by ensuring that our products meet rigorous environmental standards. During the reporting year, 73.52% of total cement production was contributed by blended cement while contributing to avoiding a total 7.2 million tonnes of CO_2 emission. The clinker to cement ratio stood at 64.66%. Blended cement products accounted for 73.19% of revenue within total cement sale.

Blended cement production during FY 2023-24 led to avoiding a total of 7.2 million tonnes of CO_2 emissions.

Manufacturing of synthetic gypsum

We have pioneered in manufacturing of synthetic gypsum in-house by using hazardous waste from other industry (spent acid) and low-grade limestone through a patented process. Currently, we have synthetic gypsum manufacturing facilities at Beawar and Ras in Rajasthan reducing our reliance on natural gypsum.

Enhancing Value through Circular Economy

We fully understand the importance of conserving the natural resources. We utilise wastes from other industries within our manufacturing process to produce a useful commodity and build a circular economy.

Material Management

In the current year, we replaced 11.39 million tonnes of raw materials with alternative raw materials i.e. by-products and waste from other industries, such as fly ash, GBFS slag, chemical gypsum among others. Alternative raw materials constituted 24.41% of total raw materials consumption in the current year as compared to 27.97% in the previous year. This, along with reducing the environmental impacts of waste generated from other industries, contributes to enhance longevity of existing natural resources. The other raw materials include limestone, additives, gypsum, bed ash, sludge, low grade limestone etc. Considering the nature of our business, all our raw material are non-renewable and we do not have the opportunity to use any renewable raw materials within our operations.

Also, cement being a raw material for construction activities, is mixed with multiple aggregates to produce concrete and mortar and hence, it is not possible to reclaim at end of life.

Waste Management

To ensure effective management of waste, we have set policies, Standard Operating Procedures (SOP) and action plans. Our efforts are channelised towards recycling and reuse of waste. We carry out internal assessments to identify opportunities to invest in improving our waste performance such as reduction of waste during maintenance. Further, we also raise awareness amongst our employees to reduce generation of waste. We comply with all regulatory requirements concerning the safe and responsible management and disposal of waste materials. While all other waste types are re-used or recycled, biomedical waste is incinerated by authorised third party.

Type	Unit	FY 2022-23			FY 2023-24		
		Generation	Recycle/ Reuse	Landfill/ Incineration	Generation	Recycle/ Reuse	Landfill/ Incineration
Hazardous Waste							
Used oil	MT	118.3	118.3		135.3	135.3	-
Biomedical waste	MT	0.8	-	0.85	0.73	-	0.7
E-waste	MT	4.2	4.2		11.9	11.9	-
Batteries	MT	35.9	35.9		31.7	31.7	-
Total Hazardous waste generated	**MT**	**159.4**	**158.5**	**0.8**	**179.8**	**179.1**	**0.7**
Non-Hazardous Waste							
Scrap filter bags	MT	26.3	26.3	-	8.87	8.87	-
Inert Scrap	MT	7.2	7.2	-	-	-	-
Cardboard/ paper scrap	MT	22.8	22.8	-	48.24	48.24	-
Mixed metal scrap	MT	14,954.4	14,954.4	-	1,3134.28	1,3134.28	-
Mixed plastic scrap	MT	895.3	895.3	-	927.80	927.80	-
Rubber scrap	MT	638.9	638.9	-	634.22	634.22	-
Wooden scrap	MT	82.0	82.0	-	118.61	118.61	-
Total Non-hazardous waste generated	**MT**	**16,626.9**	**16,626.9**	**-**	**14,872.02**	**14,872.02**	**-**

Waste Intensity

	FY 2022-23	FY 2023-24
Waste Intensity per rupee of turnover (tonnes/₹ Crore)	1.00	0.77
Waste Intensity per rupee of turnover adjusted to PPP	22.83	17.6
Waste intensity per tonne of cement produced (kg/tonne of cement produced)	0.54	0.44

Food Waste Management

The food waste generated from our facilities is either sent for animal feeding or composted through compost pits, organic waste composting systems and pipe composting. The compost thus generated is used within our campuses for horticulture purpose. We conduct awareness sessions for our employees to minimise food wastage. The total food waste generated for the year was 11.75 MT as compared to 13.25 MT in the previous year.

Life Cycle Assessment

We have undertaken Life Cycle Assessment for our products OPC, PPC, PSC and CC in the reporting year by an external agency. These cement products contributed to 84.5% of total revenue for the reporting year. The study aimed to quantify the selected environmental impacts per tonne of cement for each product category, over the cradle to gate system boundary. The assessment helped in identifying environmental impacts during various life cycle stages of the products. It also identified the hot spots across our business activities where improvement areas can be prioritised, and investments can be planned accordingly.

Based on the LCA conducted, abiotic depletion and climate change due to GHG emissions were identified as risks arising from the products. The mitigation plan for these risks include increased use of alternative fuel and alternative raw material, increased renewable energy consumption and modification in product mix and constituents.

Water Stewardship

Water is a precious shared natural resource. In order to minimize the impact of our operations, we continue to develop solutions for water management. We use surface water, ground water and third-party supplied water for our operations. Our total freshwater withdrawal during the reporting year stood at 22,31,015 KL with other water (municipal STP water) being 2,53,410 KL. Our water consumption as a ratio of turnover stood at 127 KL/₹ Crore and 125 KL/₹ Crore for FY 2023-24 and FY 2022- 23 respectively. Further, water intensity as a ratio of turnover in Crore USD adjusted to PPP for the current and preceding year were 2,899 KL and 2,862 KL respectively.

With three integrated unit locations and four grinding unit locations in water stressed areas, we have prudent management plans to ensure judicious consumption and minimal wastage.

All our manufacturing locations are Zero Liquid Discharge, treating, recycling, and reusing 100% of wastewater generated from our operations. We also conduct trainings for our internal stakeholders to raise awareness for reduced water consumption. Our specific freshwater consumption within cement operations was 65.1 L per tonne of cement production and 64.8 L per tonne of cement production during the current and the previous year respectively.

Water Withdrawal

Source	Unit	Total Water Withdrawal		Water Withdrawal from water stress* areas	
		FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24
Surface water	KL	5,68,104	3,92,431	2,18,867	1,60,745
Ground Water	KL	14,79,681	18,38,584	9,57,238	10,04,131
Third party Water	KL	65,768	2,53,410	65,768	2,53,410
Sea Water	KL	-	-	-	-
Seawater / desalinated water	KL	-	-	-	-
Others	KL	-	-	-	-
Total water withdrawal	KL	21,13,553	24,84,425	12,41,873	14,18,286
Total Water Consumption	KL	21,05,655	24,81,363	12,37,456	14,15,223
Water intensity (Water consumed in kiloliters / INR Cr. turnover)	KL	125.1	126.7	73.5	72.3

The values of water withdrawal and consumption for FY 2022-23 have been restated due to inclusion of SMP, in the reporting boundary.
*Following the guidelines of Central Ground Water Authority (CGWA), areas classified as over exploited and critical are identified as water stress locations

Use of STP water in operations

Cognizant of the importance of freshwater, we have undertaken various measures to reduce freshwater consumption in our manufacturing. With our operations in Beawar and Nawalgarh located in water stress areas, we have identified municipal STP treated water as an alternative resource. We have entered into agreements with the concerned municipality for obtaining STP treated water for our processes. During the reporting year, this helped us meet 253.4 ML of our water demand.

Rainwater Harvesting

We have undertaken various initiatives to harvest rainwater both within and outside our premises including nearby villages. Water harvesting pits are also developed at mines. Our water conservation and rain water harvesting efforts collectively helped us achieve more than seven times water positivity in the reporting year with the total rainwater harvested amounting to 16,234 ML against fresh water consumption of 2,228 ML. This ensured that the water availability is not impacted for other stakeholders including the local community around our operations.

Our efforts collectively helped us become more than **seven times** water positive in the reporting year with a total of 16,234 ML rainwater harvested.

Water Risk Assessment

Our approach towards water stewardship includes identifying and managing water related risks. Water table across all our plant locations are monitored continuously using piezometer wells and tracked using an online monitoring system, and the data is available on a real-time basis. Our Water Management Cell keeps a track of real time data on water withdrawal, which is captured by meters installed at the inlets of the distribution networks.

Water availability is identified as one of the business risks as part of our Enterprise Risk Management (ERM) process. To minimize the risk, water audit is conducted once in every two to three years through NABL accredited / CGWA certified agency which helps us identify opportunities for water conservation and harvesting. Water assessment study is also conducted through third party, covering the impact of our operations on the stakeholders as well as other activities in the area, availability of water for future use and dependency related water risks. We are closely associated with local governance bodies to remain updated on new and upcoming regulations. This helps us identify potential water related regulatory changes at local level.

Biodiversity Management

Our Environment Management Policy states our commitment to follow best practices and standards to minimise impacts on biodiversity. The Policy states our commitment to No Net Deforestation as part of our operations and achieving Net Positive Impact on biodiversity.

Biodiversity Exposure and Assessment

We carry out Environmental Impact Assessment (EIA), which cover various environmental aspects including biodiversity, before commencement/ expansion of new/ existing project. The assessment is location specific and includes areas adjacent to our operations (~10 km radius). We have identified the presence of Schedule-I species at four of our operational sites, for which Wildlife Conservation Plans were devised. There are no operational sites owned, leased or managed in or adjacent to protected areas or areas of high biodiversity value. Further, we have undertaken a desktop study based on WWF Risk Biodiversity Filter and assessed 100% operational locations for dependency- and impact related biodiversity risks. Based on the assessment study, our operations fall under low to medium physical risks.

Below are the details based on the desktop assessment and EIA study

Parameter	Number	Area (Ha)
Total operational sites	22	5,168
Sites covered under biodiversity impact assessment	22	5,168
Sites with significant biodiversity impact*	4	1,778
Sites with significant impact and biodiversity action plan**	4	1,778

* We consider sites with Schedule 1 species as having significant biodiversity impact.
** Our biodiversity action plans are in the form of wildlife conservation plans for sites identified with presence of Schedule I species

Our Mitigation Action

We have implemented a comprehensive mitigation hierarchy to minimise the negative impacts of projects and operations on biodiversity and ecosystem services. Our mitigation hierarchy is as demonstrated below:

Avoid
- We aim to avoid operations in areas where can significantly impact biodiversity.
- For instance, none of the upcoming plants are in close proximity to high biodiversity areas or hotspots.

Minimise (Reduce)
- Minimise impacts of our operations to the highest extent possible.
- Reduce consumption of natural resources through alternative raw material, alternative fuel and others (such as synthetic gypsum, municipal solid waste, fly ash, pet coke, etc.)

Restore
- Restoration of flora/fauna in operating locations and proximity ares.
- We have Wildlife Conservation Plans for areas with presence of Schedule-I species

Offset
- Plantation and habitat restoration in local community areas.
- Compensatory afforestation at Banka, Bihar (through concerned forest authorities) in areas requiring forest diversion

Intellectual Capital

Innovation in Action, Driving Smart Solutions

Performance Highlights FY 2023-24

4 Patents
Granted

DSIR approved R&D labs at
4 locations

Slew of
Digitalisation
Initiatives implemented

> We remain committed to foster innovation and integrate latest technology in every facet of our business, aligned with the 'Build Smart' philosophy. We leverage digital tools to address the internal and external business challenges and for enhancing our operational efficiency.

We remain committed to foster innovation and integrate latest technology in every facet of our business, aligned with the 'Build Smart' philosophy. We leverage digital tools to address the internal and external business challenges and for enhancing our operational efficiency. For us, technology is not just a tool, it is the very cornerstone to achieve our vision for exponential and sustainable growth.

Our intellectual capital is bolstered by our innovation capabilities through R&D centres and technology investments. Our key focus in R&D efforts include low carbon product development, exploring alternative materials and identifying process improvements.

Our Focus Areas

- Digitalisation
- Collaborate to Innovate
- Low Carbon Product Development
- Strengthening Innovation Capabilities

Innovating to excel: Our research capacity

At Shree Cement, we believe innovation is the key to advancing growth to newer horizons. Our commitment to continuous innovation is reflected in our research driven culture strengthened by our in-house R&D capabilities. We continuously experiment with new ideas to enhance energy efficiency, reduce costs, and develop high-quality products. Our research capabilities are reinforced by our state-of-the-art laboratories strategically located across northern, eastern, and southern India, and recognised by the Department of Scientific and Industrial Research (DSIR).

Patents

Our ongoing development projects and patent filings bear testimony to our innovative spirit. We are trailblazers in manufacturing synthetic gypsum to replace natural gypsum consumption, underscoring our commitment towards environmental conservation. We have also achieved patents for improved processes and plant developments towards synthetic gypsum manufacturing.

We were granted two more patents for the technologies we developed on WHR-based power plants and the multi-dynamic separator developed for cement mill operations. Additionally, we have filed three patent applications including "Improved Deduster System at AQC boiler to overcome the problem of particle erosion and having low pressure drop" of WHRS in Cement Kiln, Portland Pozzolana Cement Booster and Advanced Portland Pozzolana Cement with Zeta Potential Shield further underscoring our dedication to innovation.

Our R&D Investments

Our focus on product and process improvement is reflected in the R&D efforts that we undertake throughout the year. In the reporting year, we invested ₹58.78 Crore in research and development, 55.4% increase from previous year.

Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes out of total R&D and CAPEX investments are shown in the table below:

	FY 2022-23	FY 2023-24	Details of enhancement of environmental and social footprint
R&D	4.5%	4.6%	· Environmental monitoring equipment and monitoring expenses. · Energy, Hazardous waste and water audits
CAPEX	40.6%	53.6%	· Alternative fuel · Energy saving devices · Pollution control devices · Rainwater harvesting · Plantation

Embracing Digitalisation for Cement Industry's Growing Demands

At Shree Cement, we continue to prioritise the adoption of advanced technologies and digital tools in all aspects of business – from material extraction to product dispatch. We believe our steadfast commitment and digital initiatives will act as an enabler in achieving our ambitious goals.

Digitalising Operations

We have undertaken an array of digital initiatives across our systems and processes with an aim to improve efficiency and enhance productivity.

Strengthening Digitalisation journey by Implementation of SAP S/4 HANA.

During the reporting year, we replaced the legacy ERP system with SAP S/4 HANA Rise across our Indian operations. The aim was to elevate our digital environment by supporting us with increased flexibility, scalability, and accessibility, enabling seamless integration across all our departments and locations. This enabled greater efficiency in resource management, improved decision making through data-driven insights, and enhanced customer satisfaction by delivering products and services more effectively.

Fastest Implementation
One of the fastest greenfield implementation of SAP of this scale & complexity.

Fastest Stabilisation
The change-over from legacy ERP to SAP was done without any practical downtime and issues in the SAP system.

Fastest Adoption
As a result of comprehensive training to users, there was fast adoption of the new system at user level across all functions and locations which helped in fast stabilisation of SAP after Go-live.

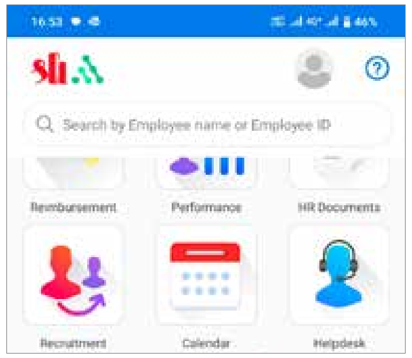
One of the fastest implementation, stabilisation and adoption of SAP S/4 HANA of this scale and complexity.

Strengthening Employee Management through Darwin Box

A fast paced organisation like ours requires processes that match the pace of growth. Processes that promise consistency, accuracy and transparency. Towards that, we undertook the digitalisation journey for our people processes through Darwinbox – a new age solution and user friendly interface that transformed employee experience.

Through this we are automating our entire employee life cycle starting from recruitment. With this single platform, employees can seamlessly handle routine tasks such as leave requests and expense approvals through streamlined approval workflows. Users can access policies, important updates, announcement and learn at the pace of work with accessible online modules. It also facilitates recognition through digital certificates for various accomplishments.

The implementation of the Darwinbox Mobile App underscores our commitment to nurturing a motivated workforce. By addressing employees' day-to-day administrative needs digitally and with quick turnaround times, we ensure their satisfaction and active participation in our growth journey. This digitalised approach to employee management reflects our dedication to creating a positive work environment, empowering our team to excel and building an organisation that is ready for tomorrow.



Digitalisation in Manufacturing

Use of digital tools and solutions has enabled us to leverage our competitiveness and provided us an edge in our operations. Few examples include:

Enhancing productivity in mining operations using real time monitoring and allocation of mining trucks to reduce idle time through Operator Independent Truck Dispatch System (OITDS).

Improving performance of raw material handling equipment through live tracking of equipment condition, enabling predictive maintenance and minimising downtown.

Use of cross belt analyser for real time analyses of extracted limestone thereby ensuring consistent feed quality.

Automatic sample preparation and analysis to ensure minimal cross sample contamination and maintain uniform equipment KPIs through Robo analysis.

Online hot meal sample analyser improves kiln performance by harnessing advanced analytics to control volatiles, thereby boosting efficiency and reducing environmental footprint.

Tracking and monitoring of real time KPIs related to the performance and health of the cement and power plant respectively to facilitate quick decision making.

Isaac Mobile Application facilitating Boots on Ground

Isaac Mobile Application enables on-site staff to facilitate regular inspections, and monitoring. This helps gain key insights such as identifying areas for optimisation and ensuring safety and performance of equipment.

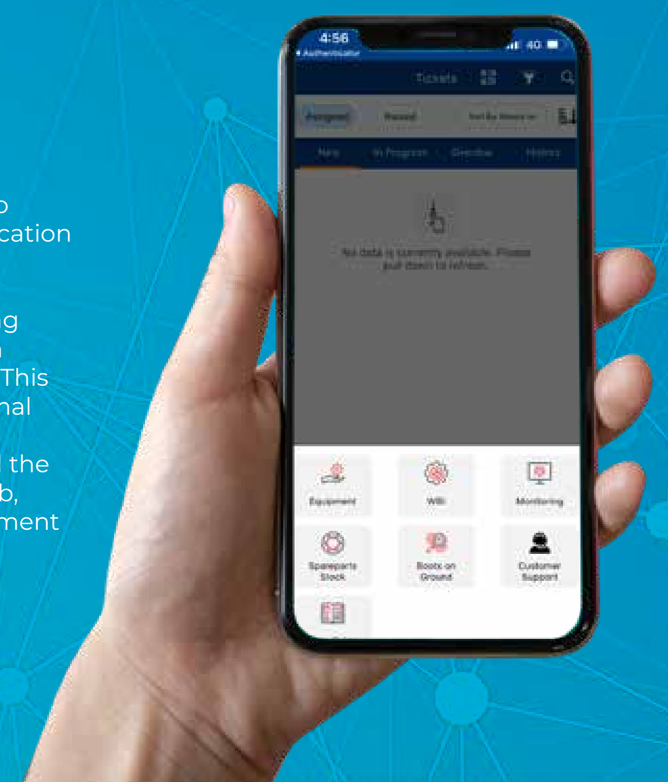
This application facilitates 'Boots on Ground' i.e. personnel physically present in a particular sub-section to conduct routine observations on equipments troubleshoot issues, and perform repairs and maintenance to minimise downtime.

It also enables 'Walkby-Inspection' i.e. systematic inspection for a particular equipment and area as per a defined checklist and frequency. One of the key benefits of Isaac is its contribution to reliability improvement, measured by Mean Time Between Failures (MTBF).

Remote Operation and Monitoring

In the past year, we have made significant strides in leveraging Industry 4.0 and advanced SCADA systems to monitor and operate multiple factories from a central location while ensuring robust cybersecurity.

The implementation of remote operation and monitoring brings several key benefits: it enables swift identification and resolution of potential issues across our operations. This integration has optimised our efficiency, ensuring minimal downtime and enhanced productivity. Additionally, by utilising remote control capabilities, we have centralised the management of multiple factories into one cohesive hub, streamlining our processes and reinforcing our commitment to innovation and excellence in the cement industry.



We always aspire to be the best in everything we do, with our intellectual assets supporting in this endeavour. With a heightened focus on smart initiatives, we are leveraging digitalisation and technology in our business. From operations to marketing, sales and logistics we have integrated digital initiatives in every avenue of our business. With this we are positioning ourselves to meet the growing industry needs while leveraging technology to streamline processes and deliver superior products.

Mr. MSR Kali Prasad
Chief Digital and Information Officer

Digitalisation in Sales and Distribution

Creating digital solutions has significantly boosted our marketing and sales operations, offering real-time visibility into crucial KPIs and empowering corrective action and tactical decisions.

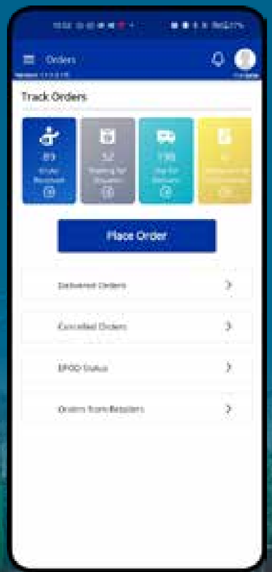
Enhancing Market Engagement with Udaan PRO

Udaan PRO mobile application is designed to facilitate timely market engagement by our sales and technical service officers.

The app empowers our sales teams with various features including system prescribed visits to effectively engage with dealer and retailer partners, monitor partner performance metrics, and gather market intelligence on competitor activities.

Our technical services officers leverage this information to help end users with technical assistance, engage with influencers like engineers and masons thereby facilitating creation of pull for our products.

With near real-time visibility into order fulfillment status and financial updates for our channel partners, we have been able to sharpen our focus on business development, and effective management of influencers and customers.



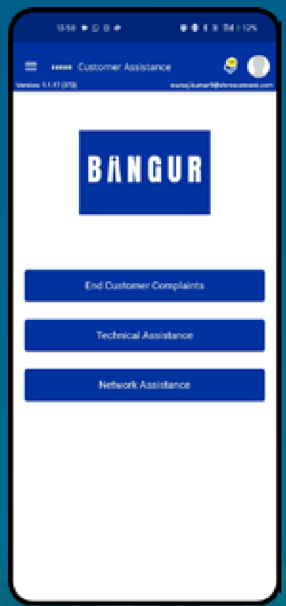
Udaan CONNECT Empowering Channel Partners

Udaan CONNECT is designed to enable timely engagement with our channel partners, comprising of dealers, retailers, and influencers.

For our dealers, the application offers order booking within 30 seconds and a comprehensive 360-degree view of business in near real-time. This includes order tracking with live location of dispatches, sales target achievement and insights on retailers.

Our channel partners can easily connect with our sales, technical, and other service providers at their fingertips.

This application empowers our channel partners to manage their business with ease, make informed decisions for their end customers and grow their business with us.



Digitalisation in Logistics

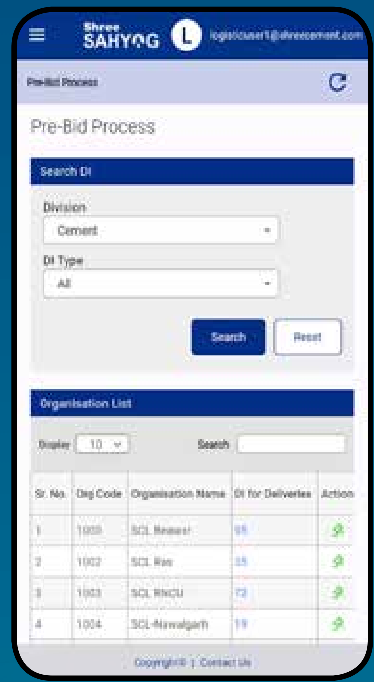
In our endeavor to digitalise logistics operations, we have implemented several strategic initiatives to enhance efficiency.

Use of a centralised platform providing real-time monitoring of various logistics metrics - 'The Logistics Control Tower'.

Tracking and monitoring of logistics movement through GPS enabled vehicles.

Integration of bidding and freight bill for outbound deliveries through custom build application - 'Shree Sahyog'.

Automates bidding, allotment, linking of token and bill approval, resulting in increased efficiency and process optimisation.



The daily logistics execution is overseen by our plant logistics team, prioritising tasks to improve customer service levels and operational efficiency. Notably, significant improvements have been achieved in our in-plant logistics operations. The transition to paperless in-plant truck movements has led to industry-leading turnaround times.

These initiatives collectively contribute to a streamlined and efficient logistics ecosystem.

Social and Relationship Capital

Building Trust, Growing Together

Performance Highlights FY 2023-24

86
Customer satisfaction score

71%
Revenue from repeat customers

₹51.34 Crore
Spending on community development projects

6.7 Lac
Lives impacted

At Shree Cement, we are committed to nurturing our relationship with our stakeholders. These stakeholder relationships form the foundation of our sustained success

At Shree Cement, we are committed to nurturing our relationship with our stakeholders. These stakeholder relationships form the foundation of our sustained success.

We aim to incorporate smart technology solutions to enhance our services to respond to customer requirements, strengthen supplier engagement, and holistically address stakeholder needs.

Our Focus Areas

- Robust supplier relations
- Enhanced brand identity
- Shared growth and value creation
- Customer centricity

Empowering people

To rephrase a well-known philosophy: "We are, because they are" - this is to say that community plays an integral role to our sustenance and growth. Thus, to give back to society, with an aim to uplift our communities both socially and economically, while fostering renewed social harmony, we have established a robust and conscientious Corporate Social Responsibility (CSR) programme.

At Shree Cement, our CSR initiatives are guided by the **Samaj Seva (Corporate Social Responsibility) Policy** and executed through the Shree Foundation Trust. All our CSR programmes are aligned with the Schedule VII of Companies Act, 2013 and the UN Sustainable Development Goals. Our strong governance structure is spearheaded by the CSR and Sustainability Committee of the Board. The Board's additional responsibilities include policy reviews, establishing long-term direction, setting and implementing strategies, budget allocation and overseeing project progress. We have a dedicated team that works at the ground level to regularly monitor our CSR programmes and activities across all local operations. This includes engaging with local stakeholders and build their capacity to ensure effective communication, taking into account any potential communication barriers.

We regularly engage with local stakeholders to improvise our engagement strategy through feedback, reviews and surveys.

Board

Reviews, and approves policy

CSR & Sustainability Committee

Review of annual action plan, budget allocation and alignment of CSR activities with Schedule VII

Overview and implementation of CSR activities

Monitor CSR programmes

CSR Team

Implementation and execution of planned CSR activities through Shree Foundation Trust and other implementation partners

How we engage with our community

We regularly engage with our community to identify needs and emerging concerns.

1. Interaction with stakeholders
2. Conduct need assessment for identification
3. Plan and design programme aligning with need assessment results
4. Implementation and execution of programme
5. Continuous monitoring and feedback of programme
6. Conduct Impact assessment of programme

Our CSR Initiatives

In alignment with our core value "Care", we drive our CSR programmes in key thematic areas. Our commitment towards creating a positive impact on society is evident in the initiatives we undertake.

Thematic Areas

- Women empowerment and skill development
- Support to senior citizens
- Community infrastructure and rural development
- Healthcare, hygiene, cleanliness and access to drinking water
- Support to dependents of martyred soldiers
- Educational initiatives
- Social welfare and promotion of art and culture
- Promoting sports
- Sustainable livelihood
- Environmental protection

Our CSR Initiatives

Women empowerment and skill development

- Shree Shakti Project- Provided livelihood development trainings among communities like sewing, tailoring, and professional salon/beauty courses.
- Shree Balika Samriddhi Yojna (SBSY) -Under the initiative, Marriage Support Gift (MSG) is provided to women legally eligible for marriage (18+). The gift contains an array of commonly needed household items like sewing machines.
- A ₹5,000 fixed deposit is provided to family/ guardians when a girl child is born. This could be encashed when the girl child attains 18 years of age.

Community infrastructure and rural development

- Construction, repair and upgradation of community assets such as Gram Panchayat buildings, drainage systems, community centres, community toilets, waiting areas and sheds.
- Facilitate strengthening of rural connectivity by constructing and repairing roads and infrastructure thereby enhancing accessibility of amenities such as education, healthcare and jobs.

Support to dependents of martyred soldiers

Project Naman: This initiative is a token of respect to martyred soldiers from armed and paramilitary forces. The programme supports the dependents of the martyrs for building homes.

Social welfare and promotion of art and culture

- Support in organising community events that enable artists to showcase their talent in the field of painting, music, theatre, local folk, literature, poetry etc.
- Organising festivals and events that showcase Indian traditional art forms and promote syncretism and harmony.
- Assisting in preservation, construction, maintenance and upgradation of sites, monuments and structures of historical importance and ancient tradition.

Sustainable livelihood

- **Agricultural initiatives -** Our initiatives include organising local farmer visits to nearest Krishi Vigyan Kendra for skill and knowledge building. We also support the farmers in obtaining agricultural tools, high-quality seeds and fodder cultivation seeds for improved yield and productivity.
- **Non-agricultural initiatives:** We organise vocational training programmes for ITI graduate students in our mines to provide them with an immersive on-the-job experience.

Support to senior citizens

- We support a joint initiative of the Kolkata police and The Bengal, an NGO for providing varied support services to senior citizens of Kolkata.
- Initiatives aimed to enhance the physical, mental, social, cultural, and economic wellbeing of the elderly as well as support senior citizens, in availing legal, security and medical assistance. We also organise regular socio-cultural and sports activities for the elderly.

Healthcare, hygiene, cleanliness and access to drinking water

- We take efforts to provide access to healthcare support through our Wellness Management Centres (WMC) as well as through health camps.

  Project 'Mamta': We organise regular health checkups for pregnant women, new mothers and infants. Our medical camps support expectant mothers and guide them on medicines, diet and vaccination during pregnancy.
- 'Shree Swachhata' project: Through regular camps, we raise awareness about importance of cleanliness and hygiene. We have taken initiatives for access to drinking water by constructing public water huts, bore-wells and distribution of RO water facility to remote villages during peak summers.

Promoting Sports

- We help in organising sports events in schools for students and also provide sports equipment.
- We provide support in the construction and renovation of sports clubs, stadiums and sporting facilities.
- We also support local sports clubs, associations and other such bodies to undertake activities and initiatives to encourage sports persons.

Educational initiatives

- We support in developing basic infrastructure facilities such as construction of classrooms, and distribution of study materials, uniforms, etc.
- We establish computer learning centers wherein students and local youth can enroll.
- Under Shree Ki Pathshala initiative, we provide tuitions to board exam students of communities in the vicinity.
- We support the Bangur Public School run by Shree Foundation Trust, our CSR arm.
- We organise vocational training and skill development of local youth to increase their employability.

Environmental Protection

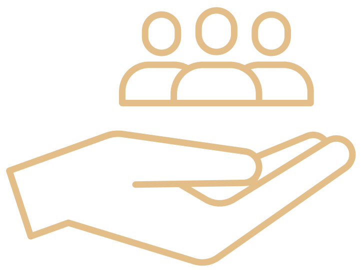
- We distribute plant saplings to farmers to develop green belt and plantation cover in open areas. Further, we undertake plantation activities within premises that aid in carbon sequestration.
- We also support school plantation programmes by distributing tree guards for the protection of saplings/grown plants.

With most of our operations located in remote areas, we have constantly strived to serve our communities including vulnerable and marginalised groups through our CSR initiatives. During the reporting year, none of our operations had any adverse impact on local communities. We did not carry out Social Impact Assessment (SIA) or rehabilitation and resettlement activities during the reporting period. We have undertaken CSR projects in the following aspirational districts as identified by the Government of India.

Community Grievance Redressal Mechanism

We actively seek to engage with our communities maintaining a direct and regular contact with our stakeholders to effectively capture any concerns or perspectives. This involves a direct communication between our CSR team and on-ground community representatives including local bodies. In addition to this, the community representatives can reach out to the local plant administration regarding their concerns. All grievances are recorded in a systematic manner and resolved within a defined time period.

Sr No.	State	Aspirational District	Amount spent
1	Uttarakhand	Haridwar	₹7.94 Lac
2	Bihar	Aurangabad	₹30.39 Lac



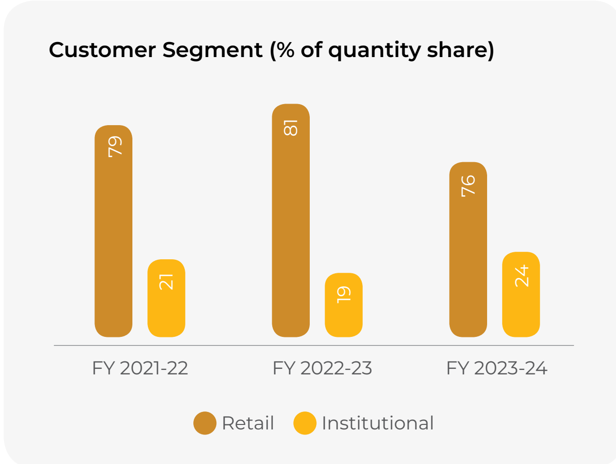
Our Promise to Customers: Building Trust and Delivering Value.

At Shree Cement, we constantly strive to provide our customers with the highest standards of quality and services to create an enhanced customer experience. We engage regularly with our customers through various platforms to assist them in every stage of their association with us.

Our technical services team provides expert advice and customer support during the sales engagement and thereafter. Our enhanced customer loyalty, trust, and retention rates are testament to our advanced end-to end customer support. In a significant move, we have digitalised various interfacing platforms for increased ease of doing business. More information about these platforms is available in the Intellectual Capital section of this report.

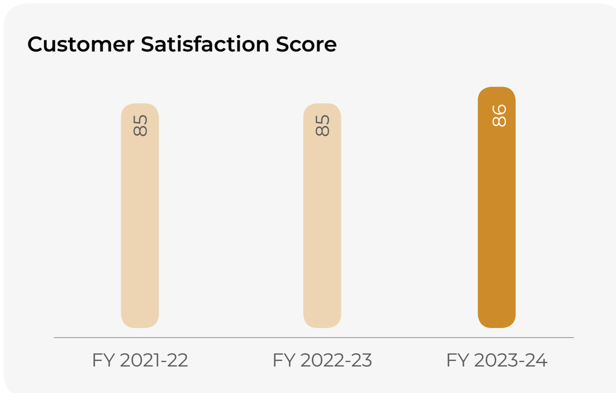
Customer Segments

Our customer base covers both retail and institutional sectors.



Measuring customer satisfaction

To gauge customer satisfaction, we conduct annual survey for a sample of our customer base to understand customer concerns and receive feedback on our products and services.
We remain committed to improve and achieve 100% customer satisfaction.



> Our relationship with our customers forms the foundation of our sustained growth. Our new master brand 'Bangur' embodies our commitment towards accelerated growth.
>
> We remain steadfast to ensure customer delight through our best in class products, timely delivery and value- added technical services.
>
> **Mr. Shailesh Ambastha**
> President, Sales

Road to Resolution: Grievance Mechanism

Direct, regular, and transparent communication is crucial to elevated customer experience, and consequent customer retention and loyalty. Our current process to capture complaints involves reporting through dealers. Once a complaint is reported, it is handled by a field staff. Complaints are evaluated based on various parameters of construction practices including material quality, proportion of material aggregates, water used etc. Categorisation of the complaint helps us in its analysis and speedy resolution. For a more personalised approach to complaint redressal, we assign a qualified civil engineer at the site to address complaints, as needed.

In the pre-sales phase, technical services team members play a crucial role by using their expertise to gauge the specific requirements of potential clients. This allows them to contribute significantly throughout the entire sales process.

Protecting Customer Data

Being a responsible organisation, we prioritise customer privacy and data safety. We have implemented strong internal controls and data management system to handle customer details. In the reporting year, there were no instances of data breach involving personally identifiable customer data.

Ensuring Product Safety

With customer-centricity underscoring our operations, we uphold the highest standards of quality and safety of our products. We employ strict quality control measures to ensure adherence to industry standards and applicable regulatory requirements. Product information is displayed on the bag / packaging as per the BIS requirements laid down by the Government of India. Details such as the name of product, its quality, category, its BIS code, composition / specifications are clearly mentioned as per the norms. Our Material Safety Data Sheet (MSDS) has set indicators of health and safety related aspects to mitigate any potential negative impact of the product on customers. The MSDS covers environment and health related aspects for product declaration such as details of environmental and potential health impacts of materials and exclusion of hazardous materials. There were no product recalls during the reporting period. We also had no instances of non-compliances or penalties related to advertising, product recalls and product safety.

Customer complaints

	FY 2022-23		FY 2023-24	
	Received during the year	Pending resolution at the end of the year	Received during the year	Pending resolution at the end of the year
Data Privacy	0	0	0	0
Advertising	0	0	0	0
Cyber-security	0	0	0	0
Delivery of essential services	0	0	0	0
Restrictive Trade Practices	0	0	0	0
Unfair Trade Practices	0	0	0	0
Other (Product quality, supplies, printing related)	671	0	611	0

Suppliers: Empowering Partnerships, Inspiring Innovation

Building collaborations is essential for sustainability of our business operations. As a commitment to supporting local economies, we prioritise sourcing raw material directly from local businesses including Micro, Small and Medium Enterprises (MSMEs). We procure fuel from national as well as global sources. We have policies and processes in place through which we give preference to suppliers from vulnerable group, however, we are currently not procuring from any of the vulnerable groups. During the reporting year, 11.65% of our total inputs (based on procurement of raw material, fuel, packaging bags and O&M supplies, including traders) were sourced sustainably. Our procurement practices are guided by our **Sustainable Procurement Policy and Supplier Code of Conduct.**

Percentage of input material (inputs to total inputs by value) sourced from suppliers is shown in table below:

	FY 2022-23	FY 2023-24
Directly sourced from MSMEs/ small producers	10.86%*	12.18%
Directly from within India	53.40%	43.30%

*The value for directly sourced from MSMEs/small producers for FY 2022-23 has been restated by including PP bag suppliers.

Supplier ESG Assessment

We expect our suppliers to adopt sustainable business practices. We ensure that the Sustainable Procurement Policy and Supplier Code of Conduct is upheld by our suppliers. We classify significant suppliers as suppliers who are essential to our operations which include high volume suppliers, suppliers of critical components and non-substitutable suppliers. We annually assess our Tier I suppliers on ESG parameters. The assessment outcome for the current reporting year is detailed below:

Type of Supplier	Absolute number of suppliers	Number of suppliers assessed in FY 2023-24	% of suppliers in that category	Share of total procurement (%)
Total Tier 1 Suppliers*	2,922	276	9.45%	90.49
Significant Tier 1 suppliers**	23	23	100%	100%

* Includes O&M store, raw material, packaging bags, fuel suppliers, excluding traders.
** O&M store category vendors.

Supply Chain Risk Assessment

Our diverse supply chain is exposed to potential risks arising due to factors such as natural disasters, geopolitical instability, regulatory changes, supplier reliability and demand fluctuations among others. As a business, we are cognizant of this and have established a formalised process to identify risks in the supply chain. To mitigate supplier risks, we carefully evaluate suppliers and on-board them whilst managing business risk. All our new suppliers are required to meet our onboarding requirements including the parameters related to compliance with various applicable environmental and social regulations. During the reporting year, 268 new O&M store category vendors were onboarded through such robust agreements.

90.49% of our value chain partners were assessed for environmental and human rights impacts (health and safety, working conditions, child labour, forced labour, sexual harassment, discrimination and inequality in wages) in the reporting year through a desktop assessment. We did not find any significant negative social and environmental risks or impact of our supply chain in the reporting year.

Corporate Governance

Value driven Governance for Lasting Success

Corporate governance is the foundational framework that guides principles, policies, and systems. With an unwavering commitment to transparency, accountability, and ethics, we continue to uphold the highest standards of business conduct, ensuring our alignment with stakeholder interests.

Corporate governance is the foundational framework that guides our principles, policies, and systems. With an unwavering commitment to transparency, accountability, and ethics, we continue to uphold the highest standards of business conduct, ensuring our alignment with stakeholder interests. Through effective oversight and defined mechanisms, we foster a culture of integrity and excellence, driving inclusive value creation and maintaining the trust and confidence of all our stakeholders over the years.

Corporate Governance Structure

Our governance structure fosters effective decision making, communication and alignment of interests across all levels. At the apex of the structure, we have the Board of Directors, providing strategic guidance and stewardship. Working closely with the Board is the senior management who translates strategic vision into actionable plans and oversees day-to-day operations of the Company. The executive management team executes operational strategies and drives performance across all the functions. We also have various Board level Committees focusing on specific areas ensuring rigorous oversight and compliance. The minutes of the meetings of all the Committees, including updates on critical concerns, are placed before the Board for review during its meeting.

Governance structure

Board Average Meeting Attendance

73%

Minimum board meeting attendance requirement (%)

25%

Average Tenure of Board Members

11.9 years

Diversity (As on 31st March, 2024)

6 | 1

At SCL, we follow a one tier Board System and comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2024, the Board consists of seven members, three of whom are Executive Directors and four Independent Directors including one Women Independent Director. The required share of Independent Directors on the Board is more than 50%. The non-executive/ independent directors can hold a maximum of seven other directorships /mandates.

Name	Category	Designation	Board Tenure#	% attendance in FY 2023-24	No. of other directorships held
Mr. Hari Mohan Bangur	Executive	Chairman	31 years 8 months	83%	-
Mr. Prashant Bangur	Executive	Vice Chairman	11 years 7 months	50%	4
Mr. Neeraj Akhoury	Executive	Managing Director	1 year 5 months	100%	-
Mr. Shreekant Somany	Non-Executive	Independent	23 years 5 months	50%	4
Mr. Nitin Dayalji Desai*	Non-Executive	Independent	12 years 9 months	100%	NA
Mr. Sanjiv Krishnaji Shelgikar	Non-Executive	Independent	8 years 7 months	67%	6
Ms. Uma Ghurka	Non-Executive	Independent	4 years 4 months	67%	4
Mr. Zubair Ahmed	Non-Executive	Independent	1 year 10 months	67%	-
Mr. Sushil Kumar Roongta**	Non-Executive	Independent	-	-	8

*ceased w.e.f. close of Business Hours on 21st March, 2024
**appointed w.e.f. 14th May, 2024
Board tenure is up-to-date of directorship or 31st March, 2024, whichever is earlier.

Board Diversity

We recognise that a diverse Board brings forth a breadth of perspectives, experiences and insights crucial for decision making. Our Board Diversity Policy underlines our commitment to fostering inclusivity across gender, knowledge, ethnicity and beyond. By cultivating a Boardroom environment that embraces differences and encourages open dialogue, we not only reflect the diversity of the communities we serve, but also harness the collective strength of varied backgrounds and expertise. Representation of women in the Board accounts to 14.3% as on 31st March, 2024 and there are no women members holding key managerial position currently.

Board Experience

Our Board of directors come with balanced skillsets from diverse backgrounds and sectors. The Board members have expertise in various functional areas including business understanding, strategic planning, critical and innovative thinking, financial and market understanding, risk and compliance oversight etc. By leveraging this collective wealth of experience, we ensure informed decision making, strategic foresight and effective governance that aligns with the dynamic needs and challenges of our industry landscape. Two of our independent non-executive members have experience in the Materials Industry. Mr. Shreekant Somany has executive level experience in ceremics industry (building construction material) and Mr. Sushil Kumar Roongta has executive level experience in Steel sector.

Board Effectiveness and Evaluation

The Board performance evaluation is critical to ensure that the governance practices are aligned with the strategic objectives. For FY 2023-24, the Board evaluation was conducted with support from an independent external facilitator. By involving independent parties, the evaluation process ensures transparency and credibility.

Following the evaluation, the results were communicated to the Chairman, providing insights into the Board's strength and areas of improvement. Pursuant to performance evaluation, no changes were observed in the composition of the Board. The Directors, including the Independent Directors are appointed or re-appointed with the approval of the shareholders in accordance with the provisions of the applicable law. The Independent Directors are appointed for a fixed term of five consecutive years. The board members are elected individually by shareholders.

Balancing Reward and Performance: Executive Compensation

Our executive compensation is guided by the Remuneration Policy aimed at promoting fair and responsible remuneration with the long-term interest for business. The policy ensures that all directors, executives and prescribed officers are remunerated fairly, taking into account their responsibilities and contributions.

The Nomination cum Remuneration Committee (NRC) at the Board level oversees the remuneration determination process. The remuneration of the Board and Key Managerial Personnel (KMP) are recommended by the NRC and approved by the Board and in case of the Directors, the same is approved by the shareholders. We maintain a balance between rewarding top talent appropriately by aligning compensation with performance outcomes. ESG performance is also considered while deciding the executive compensation as per the remuneration policy. There were no external remuneration consultants involved in determining remuneration in the reporting year.

Annual compensation of Chief Executive Officer (MD) in FY 2023-24 is ₹1,967.29 Lac. The ratio between the CEO's compensation and median employee compensation (excluding Board of Directors and KMPs) is 291 for the reporting year. This reflects a change of - 4.66% in the above ratio compared to the previous year.

ESG Governance

At SCL, our approach to ESG governance reflects our stance for sustainable business practices and ethical conduct. We recognise that environmental stewardship, social responsibility, and effective governance are not only integral to our operations but also fundamental to our mission of driving sustainable growth and maximizing stakeholder values.

We have a comprehensive ESG framework aimed at integrating sustainable principles into our operations. At the helm of this governance structure is the Board of Directors, which provides overall strategic direction and guidance. The Board is supported by the CSR and Sustainability Committee at the Board level and ESG Committee at the executive level. The CSR and Sustainability Committee oversees all sustainability and ESG related aspects of business along with providing strategic guidance as required. The ESG Committee is headed by the Managing Director and supported by functional heads across operations. The ESG Committee shoulders the responsibility of implementing various strategic initiatives related to ESG and interalia, reviews and approves sustainability communication and disclosures as well as our ESG performance in various ratings like CDP and S&P CSA DJSI.

ESG Policies

We uphold a comprehensive suite of environmental, social and governance policies that underscores our commitment to responsible and sustainable business practices. The policies lay down the guiding principles for our operations and business conduct. The policies are regularly reviewed and updated to ensure alignment with emerging regulatory requirements and best practices. All our policies can be accessed on our website under the investors section.

Code of Conduct

We create value through ethical practices built on the foundation of transparency and accountability. This is guided by our Code of Conduct that serves as a cornerstone for our business conduct. The Code acts as a guiding document and outlines the principles and standards for the Board of Directors, executives, and all other employees. The Code has detailed guidelines laid for Conflict of Interest, Personal and Workplace Conduct and Conduct with external stakeholders.

Ensuring accountability to the Code, the responsibilities, accountabilities and reporting lines are systemically defined in all divisions from plant level to corporate. It is mandatory for each of the employees and senior management personnel to affirm compliance with the Code on an annual basis. Further, the Directors are required to disclose to the Board on annual basis the name of the entities in which they are having any interest.

Any breaches related to Code of Conduct can be reported through dedicated channels. In case of a breach of the Code, the covered personnel are subject to disciplinary action, which may impact on the employee performance evaluation to even termination from the organisation. This is decided on a case-to case basis.

In the reporting year as well as the previous year, there were no cases of breaches of Code of Conduct including those related to corruption and bribery, discrimination and harassment, customer data privacy, conflict of interest, anti-competitive practices, money laundering and insider trading. Further, no complaints were received in relation to issues of conflict of interest of the Directors or KMPs during the current year as well as in the previous year.

Corruption and Bribery

At Shree Cement, we uphold a steadfast undertaking to combat corruption and bribery in all forms which is guided by our Anti-Corruption and Anti-Bribery Policy. Our approach further encompasses comprehensive training programmes and awareness sessions to prevent, detect and address any instances of unethical behaviour. By fostering a culture of transparency, we not only comply with legal requirements, but also uphold our values to protect our stakeholder interests. There were no disciplinary actions taken by any law enforcement agencies against our directors, KMPs, employees and workers in the reporting year.

Whistle Blower Policy

Our Whistle Blower Policy provides a safe and confident mechanism for employees, directors, vendors, suppliers, customers, shareholders or any other person who wishes to report on unethical behaviour or practices. These unethical practices may include any wrong-doing, fraud, non-compliance or violation of the Code of Conduct, policies, practices, or instances of leakage of unpublished price sensitive information.

The policy ensures mechanisms are in place to protect whistleblowers from any form of unfair treatment which includes discrimination, retaliation, threat or intimidation. It also provides direct access to the Chairman of Audit Committee in exceptional cases.

Our policy is available on the website and can be accessed by all stakeholders at any given time.

Grievance Mechanism

At Shree Cement, we are committed to maintaining an open and transparent communication with all our stakeholders. We have prioritised the establishment of a proactive grievance mechanism to ensure that every concern is heard and addressed. Stakeholders can raise their concerns and grievances through the "Contact Us" Section on our website or through our dedicated email id: grievance@shreecement.com. Local communities or local stakeholders can raise their concerns to human resources / CSR programme representatives

at respective locations. Further details of grievance mechanisms are covered in Stakeholder Engagement section in the Report.

No grievances were raised by stakeholders in the reporting year that were deemed critical in nature. There were also no complaints received against any directors or KMPs on conflicts of interest in the reporting year.

Public Policy Advocacy

Our idea of Build Smart is further accelerated by our policy advocacy initiatives through our industry associations. We actively engage with industry and trade chambers, governments and think-tanks to share knowledge, discuss on policy and regulatory matters and drive business landscape. These associations act as platforms where we undertake policy advocacy to address challenges that the industry faces. During the year, we contributed ₹232 lac towards membership of the trade associations and participation in think tanks.

Our associations

- Cement Manufactures Association (CMA)
- National Council for Cement and Building Materials (NCCBM)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industry (CII)
- World Economic Forum (WEF)
- Climate Group : RE100

We follow a structured approach towards public policy advocacy covering all our operations. The advocacy initiatives are overseen by the Corporate Affairs Head, who reports to the Managing Director. For function specific initiatives, relevant functional heads also participate in public advocacy forums. The Corporate Affairs Head reviews and monitors public policy engagements for trade associations. All our initiatives focus on collaborating with our stakeholders with a common goal of maximizing value creation.

Our advocacy efforts are aligned with the Paris agreement, NDCs and National goals. The Corporate Affairs Head reviews and monitors public policy engagements for trade associations. with the Paris agreement to the extent they are relevant. The reviews help us in identifying any misalignments between our climate objectives and the positions of the trade associations we engage with. Through our active associations, we advocate for low carbon products that contribute to the development of sectoral low carbon roadmap and communicate our stance related to concerned national policies on environmental issues as and when required.

As a testament to our commitment to advocating for policies aligned with the Paris agreement and mitigating climate change, we have joined RE100 initiative, with a promise to shift to 100% renewable electricity by 2050.

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain?	Frequency of Review by Board
Low carbon emission roadmap for India cement sector	Inputs provided to CMA as and when needed through emails, working group meetings etc.	Yes	As and when required
Enhancing use of blended cement	Advertisement, marketing strategy and disclosure through IR related to blended cement	Yes	As and when required
Waste utilisation (AFR, fly ash, slag), environment Law related to water, emissions, Environment Clearance etc.	Inputs provided to CMA as and when needed through emails, working group meetings etc.	Yes	As and when required
Increasing use of Renewable Electricity	RE100 Commitment to achieve 100% renewable electricity procurement by 2050	Yes	As and when required

Information Technology and Cyber Security

As an organisation that is integrating digitalisation into every arm of its business, we place high priority on managing IT and cybersecurity. This has also placed greater emphasis on ensuring security of IT infrastructure and data security at the organisational level.

IT and cybersecurity practices at Shree Cement is guided by the Information Security Policy and overseen by Risk Management Committee at the Board level. At the executive level, Chief Digital and Information Officer oversees the cybersecurity practices.

All employees and other stakeholders who have access to our premises and systems are covered in the Policy and are expected to adhere to it. We conduct cybersecurity awareness trainings for our employees on topics like phishing, malware and other cyber-attacks on a regular basis. In the occurrence of any suspicious incidents, employees are encouraged to report these immediately through our alert mechanism, i.e. alerts@shreecement.com.

We conduct regular internal audit for our IT infrastructure and there were no information security breaches that led to loss of customer or organisational data.

Awards and Accolades 2023-24

Prestige in Progress, Celebrating Excellence

Mr. H.M. Bangur, Chairman, Shree Cement recognised as
India's Most Trusted Leaders
by Great Place To Work®, India

Ranked among
India's Most Sustainable Companies
by BW Businessworld

Ras unit awarded with
Police Pride Award
by Dainik Bhaskar

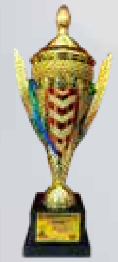
Ras unit conferred with
Bhamshah Samman-2023
by Education Department, Govt. of Rajasthan

Special Recognition - Customer Experience
Management by SAP ACE Award 2023

Exemplary Award 2023
conferred upon Beawar unit by Employer Association of Rajasthan

Supply Chain and Logistics Excellence (SCALE) Award - 2023
by Confederation of Indian Industry for 8th consecutive year

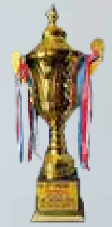
Recognition as one of
Asia Pacific Climate Leader
by Financial Times and Statista



Ras & Beawar Mines recognised as
Best Performing Mines
by Directorate General Of Mines Safety

Zero failure award
to Aurangabad Grinding Unit by Bureau of Indian Standards

Top Honors
for Cement Quality to Bulandshahr Grinding Unit by Bureau of Indian Standards (BIS)



Karhi Chandi Mines awarded under
Prestigious category
by Directorate General of Mines Safety

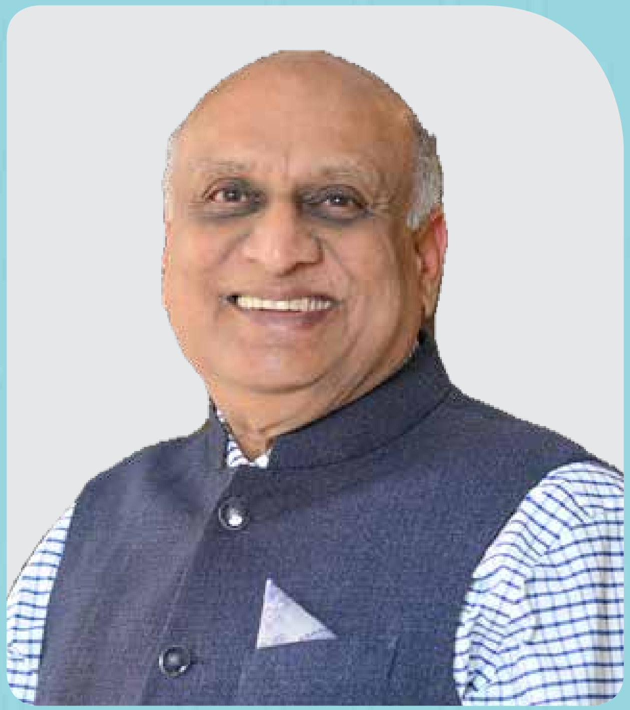
Sports Promotion Award
to Saraikela Grinding Unit by District Sports Association

Bureau of Indian Standards presented

- Appreciation letter for **zero failure** to Cuttack and Saraikela Grinding Units
- **Certificate of excellence** to Kodla Unit
- **Award for consistent quality** to Ras Unit

Profile of Directors

Guiding Visionaries: Leading with Purpose and Precision



Mr. H. M. Bangur
Chairman

Mr. H. M. Bangur is a Chemical Engineer from IIT Bombay. He brings to the Board technical insights, which are the driving force of the technical excellence achieved by the Company. He is President of Rajasthan Foundation, Kolkata Chapter. He was the President of the Cement Manufacturers' Association (CMA) between 2007 and 2009 and Executive Member of FICCI. He has been awarded with the prestigious "Ernst & Young Entrepreneur of the Year Award 2016" and "Forbes Leadership Award 2017". He is also Chairman of "The Bengal" an NGO actively engaged with Kolkata Police to provide all possible help to the old age people living alone.

Mr. Prashant Bangur
Vice Chairman

Mr. Prashant Bangur is a MBA in Finance from the Indian School of Business, Hyderabad. He joined Shree Cement in 2004 and since then has been involved in all strategic, policy and operational matters of the Company. He has been providing critical insight and direction in all management decisions in the Company. He joined the Board of the Company in 2012. Mr. Bangur is a Committee Member of Indian Chamber of Commerce, Kolkata and also Member of Managing Committee of Bharat Chamber of Commerce & Industry, Kolkata and of Indian School of Business, Hyderabad. He is member of National Management Committee of Cement Manufacturers' Association (CMA), which is the prime body for policy advocacy for Cement Industry in India. He is a strong proponent of sustainable development. He is also Director in Khemka Properties Pvt. Ltd., Ragini Properties Pvt. Ltd., Marwar Textiles (Agency) Private Limited and Indian Chamber of Commerce Calcutta.

Mr. Neeraj Akhoury
Managing Director

Mr. Neeraj Akhoury is a graduate in Economics from Allahabad University and MBA from the University of Liverpool. He has also studied one-year General Management Program at XLRI Jamshedpur and is an alumnus of Harvard Business School. He began his career in 1993 at Tata Steel, working in Sales, Marketing and Logistics in both cement and steel division. He joined the Holcim Group in 1999 and worked as member of the Executive Committee responsible for Corporate Affairs followed by Sales. In 2011, he moved to Nigeria as CEO & Managing Director of Holcim Ashaka Cem PLC. Thereafter, he was appointed as Strategy & Business Development Director for the Middle East & Africa at the Holcim headquarters in Paris. He has worked in leadership roles in India and other emerging markets. He was MD & CEO of ACC Ltd from 2017- 2020 and from February 2020- September 2022 he was CEO, India, Holcim and Non-Executive Director on the Board of ACC and MD & CEO of Ambuja Cements Ltd. He has more than three decades of rich experience in the steel and cement sector. Currently, he is Chairman of the National Council for Cement and Building Materials and President of the Cement Manufacturers' Association.

Mr. Shreekant Somany
Independent Director

Mr. Shreekant Somany is an industrialist who holds a Bachelor of Science degree from Calcutta University and is currently on the Board of Somany Ceramics Limited, SR Continental Limited, Somany Bathware Limited (formerly known as Somany Global Ltd.) and JK Tyre & Industries Limited. His exceptional technical expertise has garnered recognition from esteemed organisations, including the prestigious American Ceramic Society, where he received the Corporate Technical Achievement award. He has also contributed significantly to various industry bodies, holding esteemed positions such as Founder & Past Chairman of the Confederation of Constructions Products and Services (CCPS), Past Chairman of Indian Council for Ceramic Tiles and Sanitary Ware (ICCTAS), and Past Chairman of the Confederation of Indian Industry Northern Region. Additionally, he served as the President of the Indian Ceramic Society and is an active member of the CII National Council. He also served as the Chairman of the CII National SME Council. He is presently the Chairman of CII Centre for Excellence for Competitiveness for SMEs.

Profile of Directors

Mr. Sanjiv Krishnaji Shelgikar
Independent Director

Mr. Sanjiv Krishnaji Shelgikar is a veteran Chartered Accountant and has been practicing his profession since 1978. He has also contributed as Special Editor to the book 'The Companies Act' written by A. Ramaiya. He has worked with Videocon Group, as an advisor for the local IPOs, international mobilisation of debt and equity, global and local mergers and acquisitions and domestic and international structured financial products for the Group's finances. He is on the Board of Magrolia Leasing and Infotech Pvt. Ltd., Archangel Leasing and Infotech Pvt. Ltd., Microcredit Initiative of Grameen, Joy Holdings Private Limited, Taegutek India Private Limited, Shree Bhagwanrao Napate Foundation, Shree Global FZE and Shree International Holding Limited.

Mr. Zubair Ahmed
Independent Director

Mr. Zubair Ahmed is a senior business leader with outstanding credentials of over 40 years in managing businesses across Asia, Middle East and Africa. He started his career with Unilever International in their Middle East Operations. After 15 years with Unilever across countries he joined as Managing Director of Gillette India Ltd and then moved to GSK Consumer Healthcare India Ltd as Managing Director. Thereafter, moved on to Singapore in 2015 as Head of GSK Consumer Health Care businesses across countries of Asia, Middle East and Africa and then subsequently was appointed Chairman of GSK Consumer Health Care India. Post retirement in 2018, he worked as advisors to some of the leading private equity and consumer companies in India. His key strength lies in putting together strategic high growth plans to unlock the true value of companies and their brands through successful execution based on a clear understanding of the category, competition, organizational structure, culture and competencies required for success. He is on the Board of Shaafi Naturcure LLP (Designated Partner) and part of Advisory Board of Group SNS, Dubai, UAE.

Ms. Uma Ghurka
Independent Director

Ms. Uma Ghurka graduated with a B. Tech degree in Electrical Engineering from IIT, Madras in 1975. She is a seasoned technocrat and a renowned entrepreneur. With a penchant for developing innovative products, she founded Thermo Group - Thermopads Pvt. Ltd, Thermo Cables Ltd, and Thermosystems Pvt. Ltd. Their wide range of products have reached up to over 50 Countries across the globe and provide solutions to both, major industries & for domestic applications. With over 40 years of experience in building and leading business, She brings with her a rich repertoire of technical and business acumen. She has also been an active member of various professional, entrepreneurship and social organisations. Among several eminent positions held by her, she served as a Non-Executive Director in State Bank of Hyderabad. She was also honored with "Best Woman entrepreneur of the year -1984" by President of India; One of the 50 leading Women Entrepreneurs globally (being the only one from India) in 1999, and received the Distinguished Alumni Award from IIT Madras in 2012. She is currently Managing Director of Thermo systems Pvt. Ltd. and Director in Thermo Cables Ltd., Thermo Capital Private Limited & Confederation of Women Entrepreneurs of India.

Mr. Sushil Kumar Roongta
Independent Director

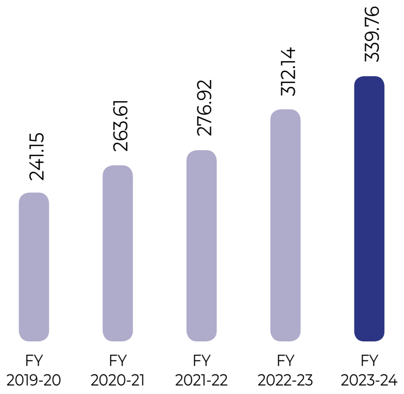
Mr. Sushil Kumar Roongta is the former Chairman of Steel Authority of India Limited (SAIL), one of India's largest public sector company. He is an Electrical Engineer from Birla Institute of Technology & Science (BITS), Pilani and a Post Graduate Diploma in Business Management – International Trade, from the Indian Institute of Foreign Trade (IIFT), New Delhi, having a wide and varied experience in Public Sector Undertakings. Mr. Roongta is a fellow of All India Management Association (AIMA) & fellow of Indian National Academy of Engineering (INAE). He was member of various Apex Chambers - Chairman of 'Steel Committee' of FICCI, member of National Council of CII and Advisory Council of ASSOCHAM. He was also President of Institute for Steel Development & Growth (INSDAG) and a member of the Executive Committee of the World Steel Association - The Apex Body for formulation of policy for world steel. He was Chairman of Board of Governors of IIT Bhubaneswar. He has been part of various think tanks and is widely regarded as one of the principal experts in the field of metal, power and public sector turnarounds. He was Chairman of 'Panel of Experts on reforms in Central Public sector enterprises' constituted by Planning Commission. Widely known as 'Roongta Committee', its report is taken as benchmark for Public Sector Reforms.

Mr. Roongta is the recipient of a number of awards including "Standing conference of public enterprises SCOPE Award for Excellence & Outstanding Contribution to the Public Sector Management" – Individual Category; 2007-08 and IIM-JRD Tata award for excellence in Corporate Leadership in Metallurgical industries, 2016. Mr. Roongta is also associated with Educational Institutions and various Non-Profit organizations. He is on the Board of Adani Power Limited, Jubilant Pharmova Limited, Jubilant Ingrevia Limited, Bharat Aluminium Co. Ltd., Hero Steels Limited, Zuari Industries Limited, JK Paper Limited and Titagarh Rail Systems Limited.

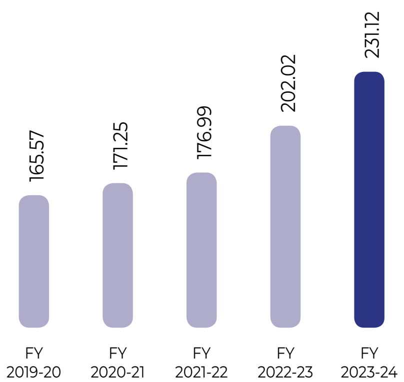
Performance Highlights

Operational Metrics

Cement Production
(Lac Tonnes)

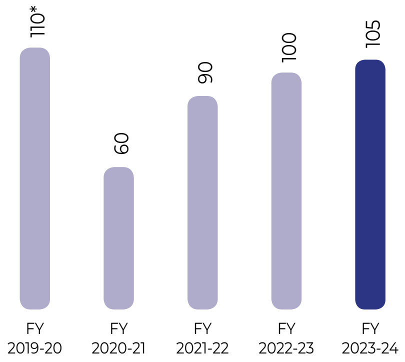


Clinker Production
(Lac Tonnes)



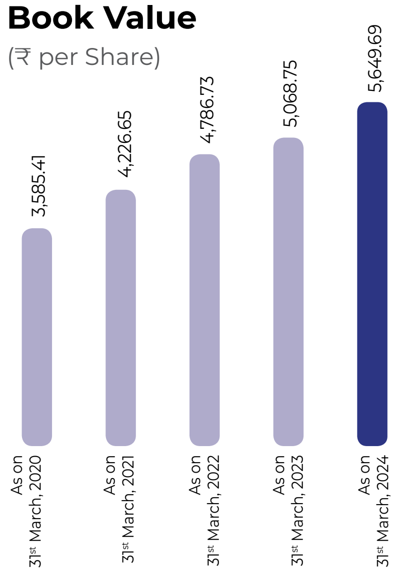
Shareholder Value Creation

Dividend
(₹ per Share)

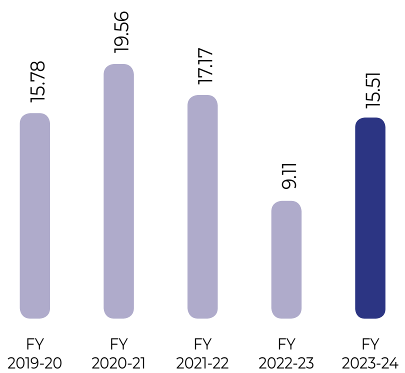


*Includes additional dividend of ₹40 per share

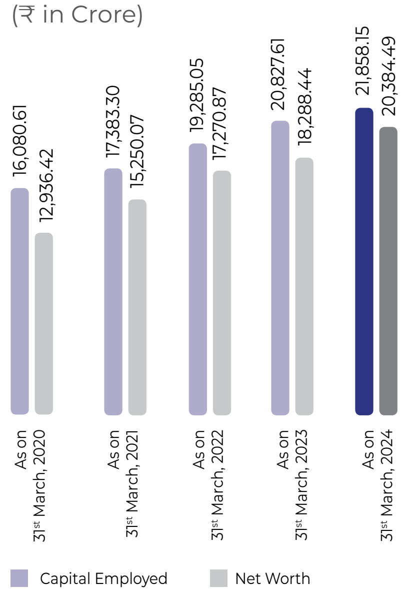
Book Value
(₹ per Share)



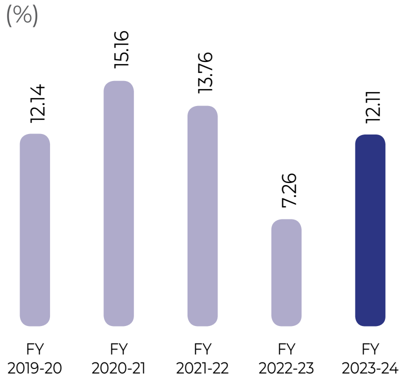
Return on Average Capital Employed
(%)



Capital Employed and Shareholders' Fund
(₹ in Crore)



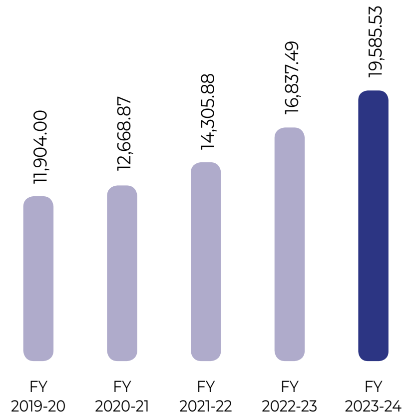
Return on Net Worth
(%)



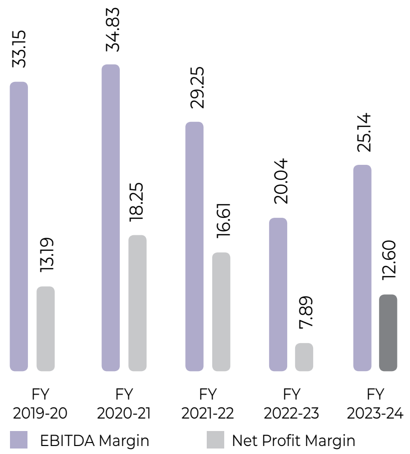
Performance Highlights

Financial Operations

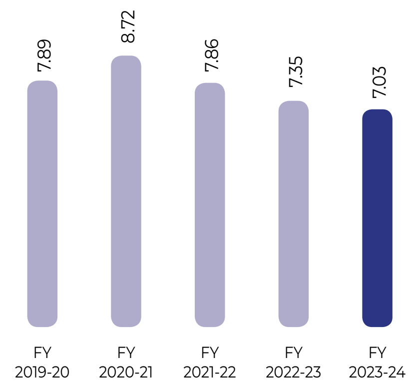
Revenue from Operations
(₹ in Crore)



EBITDA Margin and Net Profit Margin
(%)

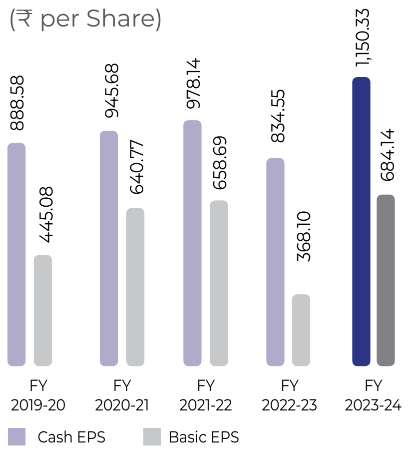


Inventory Turnover
(Times)



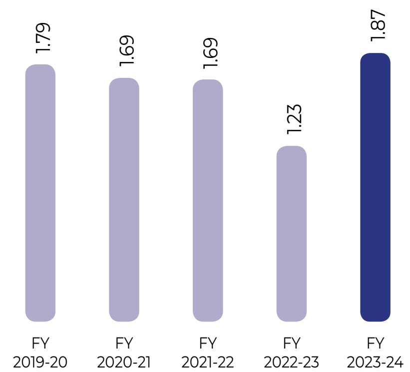
EBITDA and Net Profit
(₹ in Crore)

Cash and Basic EPS
(₹ per Share)

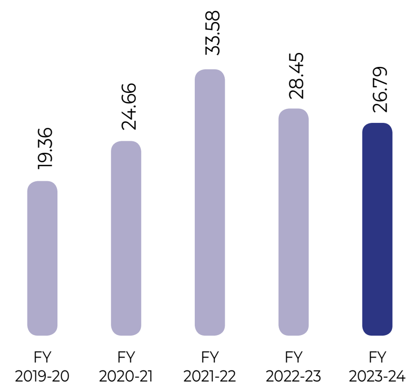


Key Ratios

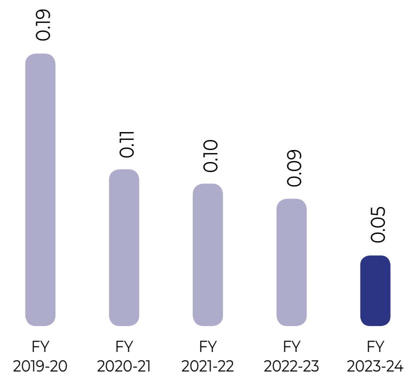
Current Ratio
(Times)



Debtors Turnover
(Times)



Debt Equity Ratio
(Times)



FIVE YEARS HIGHLIGHTS

OPERATIONAL PERFORMANCE

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Cement Production (Lac Tonnes)	241.15	263.61	276.92	312.14	339.76
Cement and Clinker Sales (Lac Tonnes)	249.24	268.41	277.37	318.17	355.41
Net Power Generation (Lac Kwh)	26,600	16,185	19,108	23,687	37,908
Power Consumption (Kwh/Tonne of Cement)	70.54	68.65	67.15	64.93	65.41
Fuel Consumption (Kcal/ kg of Clinker)	721	727	733	751	735

FINANCIAL PERFORMANCE

Profit & Loss Statement (₹ in Crore except per share data)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Net Revenue from Operations	**11,904.00**	**12,668.87**	**14,305.88**	**16,837.49**	**19,585.53**
Other Income	271.62	432.89	537.34	431.51	561.09
Total Net Revenue	**12,175.62**	**13,101.76**	**14,843.22**	**17,269.00**	**20,146.62**
EBITDA	**3,946.15**	**4,412.72**	**4,185.18**	**3,373.77**	**4,924.63**
Depreciation and Amortisation	1,699.42	1,139.90	1,036.48	1,546.20	1,614.67
Finance Costs	286.52	247.10	217.78	268.93	264.33
Profit before Tax	**1,960.21**	**3,025.72**	**2,930.92**	**1,558.64**	**3,045.63**
Tax Expense	390.03	713.79	554.30	230.51	577.19
Net Profit	**1,570.18**	**2,311.93**	**2,376.62**	**1,328.13**	**2,468.44**
Cash EPS (in ₹)	888.58	945.68	978.14	834.55	1,150.33
Basic and Diluted EPS (in ₹)	445.08	640.77	658.69	368.10	684.14

Balance Sheet (₹ in Crore)

Particulars	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2024
Net Block of Fixed Assets	3,978.67	3,817.71	4,738.48	4,637.39	6,375.03
Shareholders' Fund (Net Worth)	12,936.42	15,250.07	17,270.87	18,288.44	20,384.49
Total Capital Employed	16,080.61	17,383.30	19,285.05	20,827.61	21,858.15

Key Ratios

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
EBITDA to Net Revenue from Operations (%)	33.15	34.83	29.25	20.04	25.14
Return on Net Worth (%)	12.14	15.16	13.76	7.26	12.11
Return on Average Capital Employed (%)	15.78	19.56	17.17	9.11	15.51

PERFORMANCE HIGHLIGHTS (SINCE BEGINNING)

Year			Clinker Production (Lac Tonnes)	Cement Sales (Lac Tonnes)	Net Revenue (₹ in Crore)	Shareholders' Fund (₹ in Crore)	Book Value (₹ per Share)
1985		(8 months)	2.60	2.67	22.01	15.46	10.11
1997-98			14.36	16.62	280.59	190.57	54.70
1998-99			19.45	20.91	372.76	196.54	56.42
1999-00			22.85	23.10	409.68	219.39	60.82
2000-01			21.13	24.00	466.85	247.06	66.61
2001-02		(9 months)	16.25	18.02	333.51	215.61	57.58
2002-03			22.85	27.25	455.69	222.40	63.84
2003-04			22.94	28.41	473.23	251.38	72.16
2004-05			24.83	30.61	582.08	289.49	83.10
2005-06			27.71	32.03	669.39	296.30	85.05
2006-07			35.06	48.33	1,367.98	454.55	130.48
2007-08			46.23	63.34	2,109.12	672.81	193.13
2008-09			64.18	77.36	2,710.63	1,210.02	347.33
2009-10			80.45	92.71	3,632.12	1,833.24	526.23
2010-11			74.65	93.38	3,453.53	1,986.18	570.13
2011-12		(15 months)	102.88	142.06	5,799.52	2,733.93	784.77
2012-13			86.82	122.77	5,590.25	3,843.65	1,103.32
2013-14			98.62	140.66	5,887.31	4,710.87	1,352.25
2014-15			113.18	157.45	6,453.57	5,276.40	1,514.59
2015-16		(9 months)	96.83	141.08	5,513.64	6,845.53	1,965.00
2016-17			136.82	200.73	8,594.30	7,698.14	2,209.74
2017-18			151.34	220.18	9,833.10	8,896.83	2,553.83
2018-19			176.50	248.76	11,722.00	9,597.39	2,754.92
2019-20			165.57	239.46	11,904.00	12,936.42	3,585.41
2020-21			171.25	263.18	12,668.87	15,250.07	4,226.65
2021-22			176.99	275.60	14,305.88	17,270.87	4,786.73
2022-23			202.02	309.59	16,837.49	18,288.44	5,068.75
2023-24			**231.12**	**340.38**	**19,585.53**	**20,384.49**	**5,649.69**
GROWTH	Absolute No. of Times	Since Beginning	88.89	127.48	889.85	1318.22	558.63
		25 Years	11.88	16.28	52.54	103.71	100.14
		20 Years	10.08	11.98	41.39	81.09	78.29
		10 Years	2.34	2.42	3.33	4.33	4.18
		5 Years	1.31	1.37	1.67	2.12	2.05
	CAGR	Since Beginning	12.53%	13.61%	19.57%	20.81%	18.11%
		25 Years	10.41%	11.81%	17.17%	20.40%	20.23%
		20 Years	12.24%	13.22%	20.46%	24.58%	24.36%
		10 Years	8.89%	9.24%	12.77%	15.78%	15.37%
		5 Years	5.54%	6.47%	10.81%	16.26%	15.45%

Note: Figures have been annualised for calculation of Absolute No. of Times and CAGR, wherever required.

Board's Report and Management Discussion and Analysis

Dear Members,

The Directors take pleasure in presenting their 45th Report and Audited Financial Statements of the Company for the financial year 2023-24. Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL PERFORMANCE

A brief of financial performance for the year gone by and its comparison with previous year is given below: -

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	**19,585.53**	**16,837.49**	**20,520.98**	**17,852.33**
Other Income	561.09	431.51	598.12	459.08
Total Income	**20,146.62**	**17,269.00**	**21,119.10**	**18,311.41**
Total Expenses	15,221.99	13,895.23	16,004.24	14,892.83
Profit Before Interest, Depreciation and Taxes (PBIDT)	**4,924.63**	**3,373.77**	**5,114.86**	**3,418.58**
Finance Costs	264.33	268.93	258.34	262.87
Depreciation and Amortization Expenses	1,614.67	1,546.20	1,897.32	1,660.67
Profit Before Tax	**3,045.63**	**1,558.64**	**2,959.20**	**1,495.04**
Tax Expense	577.19	230.51	563.04	225.90
Profit After Tax	**2,468.44**	**1,328.13**	**2,396.16**	**1,269.14**
Profit attributable to Owners of the Company	-	-	2,395.70	1,270.70
Profit attributable to Non-Controlling Interest	-	-	0.46	(1.56)

Key highlights of the year (Standalone performance):

- Net revenue from operations grew by 16% from ₹16,837 Crore in FY 2022-23 to ₹19,586 Crore in FY 2023-24. This is mainly due to 11.7% increase in sale volume (cement and clinker) from 31.82 million tonnes in FY 2022-23 to 35.54 million tonnes in FY 2023-24.
- **Key Cost components:** The Company places utmost priority and continuous focus on cost reduction and optimization measures. As a result, the Company is regarded as one of the lowest cost cement producers in the industry.
  - (a) **Raw material cost:** Despite inflationary pressures, the procurement cost of various raw materials of the Company was kept within control on account of pro-active procurement strategy and well diversified sourcing. Because of increased volumes, however, the cost of raw material consumed went up to ₹1,465 crore as against ₹1,300 crore during the previous year. The Company continued its focus on usage of alternative raw materials and enhanced capacity of using synthetic gypsum.
  - (b) **Power & Fuel:** International coal and petcoke prices which saw sharp rise in FY 2022-23 witnessed softening during FY 2023-24. This helped lowering of power & fuel cost of the Company. Accordingly, despite increase in production volume, the power and fuel cost, during the year stood at ₹5,657 crore against ₹5,545 crore in previous year. Further, owing to Company's continuous drive of increasing renewable power generation capacity, Company's share of green power in total power consumption increased to 55.9% during 2023-24 compared to 51.1% in the previous year thereby helping reduce power cost of the Company and improve its green footprints. For increasing its share of alternative fuels and reducing reliance of fossil fuels, the Company is in the process of installing state of art Shredder Machines at its facilities which will help increase consumption of alternative fuels.
  - (c) **Logistics Cost:** Relatively lower prices of diesel during the year 2023-24 and root optimization measures helped the Company contain the logistics cost. Despite an increase of 11.7% in sales volumes, the logistics cost went up by 8% only from ₹3,733 Crore to ₹4,032 Crore. The Company is actively working on the development of new railway sidings by investing significantly near its various plants for rationalizing freight cost & building alternate transportation capabilities. Also, the Company is implementing various digitization tools to augment efficiency in supply chain and reducing logistics cost by rationalizing routes and lead distances.
- Overall, owing to lower power & fuel costs and logistics costs coupled with volume growth, the Earnings Before Interest, Depreciation and Tax (EBITDA) for FY 2023-24 increased to ₹4,925 Crore compared to ₹3,374 Crore in 2022-23 **which is the highest ever delivered by the Company.**

Key Financial Ratios

Key financial ratios showing the financial performance of the Company are as under:

Particulars	2023-24	2022-23	% Change	Remarks
Operating Profit Margin (without other income) (%)	22.28	17.47	27.53%	Profitability Ratios & Interest Coverage Ratio have increased due to improved operating margins resulting from (i) decrease in Power & Fuel cost and (ii) freight cost
Net Profit Margin (%)	12.60	7.89	59.70%	
Return on Net Worth (%)	12.11	7.26	66.80%	
Interest Coverage Ratio (Times)	18.63	12.55	48.45%	
Debtors Turnover (Times)	26.79	28.45	-5.83%	
Inventory Turnover (Times)	7.03	7.35	-4.35%	
Current Ratio (Times)	1.87	1.23	52.03%	Current ratio has improved due to (i) decrease in current maturity of long-term borrowings (ii) increase in inventory & (iii) reclassification of certain investments from non-current to current.
Debt-Equity Ratio (Times)	0.05	0.09	-44.44%	Debt equity ratio has decreased due to repayment of long- term borrowings.

2. DIVIDEND AND RESERVES

The Board of Directors, during the FY 2023-24, declared an Interim Dividend of ₹50/- per share and has recommended a Final Dividend of ₹55/- per share for year 2023-24. The total dividend for FY 2023-24 aggregates to ₹105 per equity share. During the year 2022-23, the Company had paid aggregate dividend of ₹100/- per share.

The Board of Directors do not propose to transfer any amount to the Reserves for the year 2023-24.

The Board of Directors of the Company in line with provisions of Regulation 43A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) had approved Dividend Distribution Policy on 12th August, 2016. The policy is available on Company's website and can be accessed at the link https://www.shreecement.com/investors/disclosure-regulation.

3. SIGNIFICANT DEVELOPMENTS DURING THE YEAR

I. Launching new brand architecture

- During the year, the Company embarked upon a comprehensive re-branding program to help it build a differentiated positioning and win consumers delight. The Company initiated a major initiative of revamping its brand identity with 'Bangur Cement' as the master-brand.
- The new Bangur brand has been implemented with a new brand identity through a new logo and pack graphics along with a new premium product launch – Bangur Magna.
- The new Bangur brand reflects the Company's commitment to innovation, quality and customer satisfaction. The unveiling of the Company's new brand identity is an articulation of the Company's intent to market and sell all variants of cement, viz. OPC, PPC

and PSC, across all its geographical territories under the revamped 'Bangur' brand.

II. Ready Mix Concrete foray

- During the year, the Company ventured into Ready Mix Concrete business, marking its entry into a promising new line of business.
- Driven by India's growth momentum and the concerted efforts of Government to create advance infrastructure projects as well as burgeoning urban housing sector, RMC business holds vast potential.
- The Company aggressively plans to expand its presence in this market by building new units as well as acquiring existing plants. As part of this strategy, in March 2024, the Company entered into a binding agreement for acquiring five operational plants of StarCrete LLP in Mumbai Metropolitan Region for a consideration of ₹33.5 Crore. The transaction is expected to be completed by September 2024.
- The Company also commissioned its first greenfield Ready Mix Concrete plant of 90 cubic meter per hour capacity in Hyderabad in March 2024. Together with the capacity acquired, the Company's combined RMC capacity currently stands at 512 cubic meters per hour. The Company has plans to set up ~100 Ready Mix Concrete plants in the next 3 years, operating in ~50 cities.

III. Survey by Income Tax authorities

In June 2023; Income Tax authorities conducted survey u/s 133A of the Income Tax Act, 1961 at premises of the Company. During the survey, the Company and its officials extended full cooperation to the authorities and provided the requisite clarification and details. Post completion of the survey proceedings, the Company has received notice(s) from the Income Tax Department for re-opening of the assessment of previous years. The Company is taking all necessary actions by providing necessary responses to the notices to protect its interest.

4. MANAGEMENT OUTLOOK OF MACRO ECONOMY AND INDUSTRY

I. Indian Economy-Developments and Outlook

The fiscal year 2023-24 for the Indian economy has been another year of stellar performance. Indian economy is estimated to achieve a robust growth of 7.6% during FY 2023-24 over and above 7.0% and 9.1% growth rate realized in FY 2022-23 and FY 2021-22 respectively. Considering geopolitical headwinds, high interest rates and volatile commodity prices, the economic performance is considered commendable. Today, India is reckoned as one of the best performing economies reflecting its bright economic stature in the global economic landscape.

The continued buoyancy in the economy is driven by high domestic demand, rising government capital expenditure, supportive policy environment and healthy investment flows. The strong economic performance and macroeconomic stability has also led to buoyancy in tax collections resulting in more room for Government to spend money on development activities (India's net direct tax collections for FY 2023-24 saw a 17.7% rise). Overall, the economy is witnessing high levels of business and consumer confidence.

The manufacturing sector registered double-digit growth in FY24 driven by a surge in investment, improved investor confidence and strong domestic demand conditions. The strength of the manufacturing sector is also underscored by the India manufacturing PMI (Purchasing Managers' Index), which in March 2024 rose to 59.1, the highest level since February 2008.

Due to conducive economic policies, larger macroeconomic stability, continued push for reforms and stable government, there has been immense improvement in credibility of India's economy, driving foreign investment in the country. Further, a notable development regarding the expected addition of the country's sovereign bonds to global bond indexes in 2024-25 shall help boost liquidity, contain interest rates and drive economic activities.

The Indian economy seems to be in a sweet spot with healthy growth, moderating inflation, strong FII inflows and healthy corporate and banks' balance sheets and thus the outlook going forward looks promising. The year 2024-25 has started with a positive development as IMD has forecast bountiful rains with good geographical spread during the year. As a result, India will likely reap a bumper harvest propelling overall economic growth and easing inflation. The pace of growth may be slow in the first quarter of year 2024-25 due to the extended general election period. The new government assuming office in June 2024 is however expected to gain traction once again and carry the growth momentum forward. Overall, India looks poised to deliver strong growth in FY 2024-25.

II. Cement Industry – Development and Outlook

During the year 2023-24, cement demand is estimated to have grown at a robust 10-12% to 442-447 Mn tonnes. This is after registering a healthy ~12% growth in the year 2022-23. Favorable demand conditions helped utilization levels inch up to 71-73%, after having touched to ~69% in FY23. The solid growth witnessed over the last two years is directly attributable to the government's thrust to boost infrastructure development, rapid urbanization and overall buoyant housing demand. General Elections ensured that the thrust to achieve set targets under Government Housing Schemes are achieved, especially in rural housing segment, which witnessed strong demand from "Pradhan Mantri Awas Yojana – Gramin".

Consistent favorable demand conditions and push to gain market share have triggered a wave of capacity addition announcements by the cement manufactures. In FY24, industry is estimated to have added ~45 MTPA of new cement capacity taking the overall installed capacity to ~641 MT.

Cement industry has benefited during FY24 with easing input costs. International coal / imported prices, which had witnessed a sharp rise during FY23 dropped during the year. As a result, the power & fuel cost, which forms a sizable cost of the cement industry also witnessed declining trend. Coupled with this, the positive operating leverage helped industry improve operating margins during the year.

Going into FY 2024-25, the demand outlook for cement industry continues to be strong as structurally all demand drivers viz. infra, housing, and private capex show positive direction. Growth in Infrastructure development spending is expected to continue with government focusing on its flagship schemes, such as PM Gati Shakti, National Infrastructure Pipeline and rising investments in roads, railways, metros, airports, and irrigation projects. This will continue to drive healthy infrastructure-led demand growth. Government Impetus to PLI scheme and Atmanirbhar Bharat, focus on multimodal logistics, warehousing, etc. are expected to support demand from the industrial segment. On the housing demand, the entire real estate sector is witnessing a demand revival. This apart, Government focus on housing for all and increasing outlays for PMAY scheme indicates strong demand growth for cement from housing segment. All in all, the outlook for cement demand looks promising.

Data source: CRISIL research and Company estimates

5. NEW/EXPANSION PROJECTS

The Company has an unwavering commitment and focus to contribute to India's growth by continuously expanding capacity faster than the industry with an emphasis on organic growth. The Company has increased its cement production capacity by 9.50 million tonnes by commissioning 3 new green field plants with an investment of over ₹7,000 Crore as below:

Location of Unit	Type of Unit	Capacity (MTPA)		Commissioning date (Commercial Production)
		Clinker	Cement	
Purulia, West Bengal*	Clinker Grinding Unit	-	3.0	28th July, 2023
Nawalgarh, Rajasthan	Integrated Cement Unit	3.8	3.5	22nd January, 2024
Guntur, Andhra Pradesh**	Integrated Cement Unit	1.5	3.0	2nd April, 2024

*through Wholly-owned subsidiary **commissioned six months ahead of schedule

During the year, the Company also undertook capacity up-gradation work of clinker unit in Kodla Karnataka to enhance its capacity from 2.40 MTPA to 3.50 MTPA in February 2024 through process optimization, de-bottlenecking and productivity enhancement initiatives.

Further the Company also commenced work of setting up new project sites as below:

Upcoming unit	Type of Unit	Capacity (MTPA)		Scheduled Timeline
		Clinker	Cement	
Jaitaran, Rajasthan	Integrated Cement Unit	3.65	6.00	Q4'FY2025
Kodla, Karnataka	Integrated Cement Unit	3.65	3.00	Q4'FY2025
Baloda Bazar, Chhattisgarh	Clinker Grinding Unit	-	3.40	Q2'FY2026
Etah, Uttar Pradesh*	Clinker Grinding Unit	-	3.00	Q4'FY2025

*Project being set-up by wholly-owned subsidiary of the Company

6. RISK MANAGEMENT

Recognizing the fact that every business is subject to risks that needs timely intervention and management, the Company's risk management process is designed to identify and mitigate risks that have the potential to materially impact its business objectives. It also maintains a balance between managing risks and making the most of the opportunities. The Board is responsible for overseeing the overall risk management framework of the Company. The Risk Management Committee of the Board keeps an eye on execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks are however done by respective management teams of the Company in a systematic manner. The risks are prioritized according to their significance and likelihood of occurrence. Risks having high likelihood and high significance are classified as 'key risk'.

The key risks identified by the Company and their mitigation measures are as under:

Risk title	Risk Description	Impact	Mitigation Strategy
Climate change	The rising temperature as a result of climate change is the biggest threat humanity is currently facing. Many countries across the globe are working on reducing these emissions. India has committed to be carbon neutral by 2070. Cement production being regarded as carbon intensive process faces risks of restrictions and penal consequences from regulatory bodies.	While the Company has taken carbon reduction targets and initiatives, not meeting the targets imposed by regulatory bodies, may be a risk. This also includes the shifts in climate change related regulations impacting business continuity and the focus of investor community, proxy firms including shareholders over climate change action impacting market capitalization of the company.	• Identifying and implementing energy efficiency projects and initiatives, enhanced usage of renewable energy and waste heat recovery power generation. • Committed to use 100 percent of energy through renewable sources by 2050. • Targeting increased usage of AFR. • Collaborating with industries and academic institutions to work on carbon capture, usage, and storage (CCUS) and low carbon products. • Defining roles and responsibilities including monitoring framework for achievement of ESG related targets.
Consolidation and intense competition	Of late, Indian cement industry has witnessed supply outpacing the demand. Further, the industry is on a regular expansion mode. This has led to intense competition and affected capacity utilization across the industry.	The continuous expansion and consolidation in the industry might impact the Company's market share. Additionally, lower capacity utilization and margins because of intense competition also poses risk to the Company's profitability.	• Expanding capacity regularly at strategic locations not only to maintain but also, increase market share. • Reviewing and aligning the market strategy to keep up market movements and identifying opportunities for improving market share.

Risk title	Risk Description	Impact	Mitigation Strategy
Succession Planning	Succession planning helps organizations identify required talent necessary for sustaining operations and growth and achieving business objectives.	To maintain business continuity and achieve immediate business objectives, the Company requires continued availability of right talent to address the risk of disruption in operational activities due to loss of talent.	• Necessary changes in the organisation structure, introduction of new functional lines and re-alignment with business objectives. • Fostering the culture of assigning responsibility to younger talent to groom as future leaders. • Cross functional and techno-commercial working experience for employees to develop & enhance business acumen for taking leadership roles. • Strengthening existing practices and building roadmap for identification of critical positions, possible successors, their development plans.
IT Data Privacy and Cyber Security	Due to digitalization and automation of operations, reliance on IT systems as well as exposure to associated risks such as loss or manipulation of data resulting from cyber attacks, computer malware, infrastructure and network outages, natural disasters or human mistakes have increased.	An information technology or cybersecurity event could lead to financial loss, reputational damage, safety or environmental impact which could be irrecoverable in nature.	• Periodic review of ERP and key software to meet current and future needs. • Strengthening the established practices and procedures for IT security and governance across the organisation. • Regular monitoring and tracking of licensed products, unauthorized software usage, tracking of data leakage, etc. across the organisation through best-in-class technology and process. • Assessment of IT infrastructure (e.g. Vulnerability Assessment and Penetration Testing - VAPT) followed by cyber security awareness sessions for employees.
Fuel Procurement	Being energy intensive operations, cement plants are predominantly dependent upon coal/ petcoke to meet their fuel requirements. Dependence on conventional one-dimensional fuel source can hinder the growth and create business continuity risks as well.	Abrupt movements in fuel prices and abrupt changes in its availability due to geo-political reasons affect our business.	• Designed plants and processes to enable their operations based on multi-fuels and give flexibility to choose fuel basis the availability and at competitive cost. • Enhancing share of alternative fuels to replace the usage of coal and petcoke. • Procuring coal from domestic sources (linkage and captive coal block) to reduce dependency on imported coal.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control system includes the policies, processes, tasks, behaviors and other aspects of the Company, which when combined, facilitate effective and efficient operation, quality of internal and external reporting, compliance with applicable laws and regulations.

The Company has put in place adequate internal control systems commensurate with its size of operations. Company's internal control systems include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit and review framework, etc. The Company has laid down internal financial controls and systems with regard to adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The framework is in compliance with the requirements of the Companies Act, 2013 and best industry practices. The Company periodically assesses design as well as operational effectiveness of its internal controls across multiple functions and locations through extensive internal audit exercises.

For carrying out internal audit, Company has an experienced in-house team manned by professionals who collectively possess the necessary skills, technical knowledge, objectivity and understanding of the Company, industries and markets in which it operates. Further, to improve and strengthen processes, the Company has appointed professional external agency for conducting internal audit/ review of all the operational locations of the Company. Such external agencies bring in their domain expertise for optimization and improvement of various business processes which can then be replicated throughout the organization.

Based on the assessment and observations of internal audit, process owners undertake corrective action in their respective areas of operations, and thereby strengthen the processes and controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board on a periodical basis. The Audit Committee evaluates the adequacy and effectiveness of internal financial control systems periodically.

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS

In the last year, the Company added new capacity, marked its presence in new geographies with commissioning of integrated and grinding units, started new business lines, and undertook a major brand revamp with the philosophy **'Build Smart'**.

A change of this magnitude with such a momentum could be achieved with collective efforts of the Company's team members guided in one direction. To enable this, the Company has been working towards building its people processes and policies on five principles:

- **Lean and agile:** An organisation design that enables absolute accountability and fast decision making.
- **Cost effective:** Reduce redundancies to minimise fixed and operating costs.
- **Meritocratic and transparent:** Build frameworks that gives opportunities to all and enable open communication.
- **Empowered and accountable:** Enable information flow and responsibility till the last mile.
- **Continuous learning and innovating:** A culture that promotes questioning existing practices and building new ones.

All of this sums up in an organisation wide project **'WeLead'** – a movement to build an organisation that creates value for all its stakeholders.

Notable highlights and achievements of this year are:

- **Efficient organisation design:** Revised organisation design with addition of new departments to enable increased focus in certain areas and alignment of pre-existing departments.
- **Performance Management System:** A new performance management process to enable clear accountability, objective measurement and rewards.
- **A young leader program launched:** A leadership programme with fresh recruits from campus launched to fuel the manpower required for the Company's rapidly expanding business and to build a leadership pipeline for the organisation.

All of these steps are directed towards building a Future Ready organisation that is prepared to **'Build Smart'.**

During the year, the Company was also recognised among **India's Top 25 Best Workplaces in the Manufacturing** and among the **Best Work places in the Cement and Building Materials** sector for the 5th consecutive year, by Great Place to Work, India. Company's **Chairman, Mr. Hari Mohan Bangur was also recognised among India's Most Trusted Leaders** by Great Place to Work India.

Industrial Relations: Company considers its employees as its biggest asset. The Company, therefore, has always strived to build healthy relationship with them and resolve issues through dialogue and discussions. As a result, employee relations remained cordial during the year. Total number of employees as on 31st March, 2024 were 7,073.

9. OCCUPATIONAL HEALTH AND SAFETY

Following a 'Safety First' approach, health and safety is a top priority area of the Company. Company has built a robust safety management system based on the globally recognized and practiced OHSAS 18001 standard to institutionalize the organisation-wide focus on Occupational Health and Safety.

Safety Committees have been formed at all manufacturing units with equal representation from both management and non-management categories. These committees play a pivotal role in achieving the objective of 'Safety First' by undertaking assessment of safety issues on an ongoing basis and implementing suitable initiatives and programs for the same. To transform the way workers' look at safety and make them aware and adopt best practices related to safety, these Committees periodically organise online and offline trainings, mentoring and coaching with the help of internal and external safety experts. This has helped bringing about a consistent positive change to the workers' safety performance. Such interactions are also helping the plant level safety committees get feedback from workers and thereby identifying hazards and minimise the recurrence of the same. The Company has established a structured hazard identification and risk assessment process which helps it to identify potential risks which could have resulted in production disruptions and liabilities.

To provide its employees and contractual workers access to quality and instant healthcare services, Company has established 'Wellness Management Centres' (WMC) at all its major plant locations. WMCs are equipped with qualified doctors and facilities which help carry out day to day healthcare services and also conduct annual health check-ups for employees & contract workers. Health talks by experts and specialists are also organised to propagate awareness on chronic and lifestyle diseases.

All safety initiatives and employee engagement programs have been designed to ensure their continuous review and monitoring. Through a regular internal audit protocol, the Company assesses the overall safety performance and examines the existing procedures, systems and control measures for fire & safety hazards. Observations and recommendations are implemented by concerned departments within set timelines. As part of the process, monthly safety performance of all grinding units are reviewed and discussed with all safety professionals for implementation of common safety system and practices.

10. SUSTAINABILITY

The Company has integrated sustainability as a fundamental component of its business model. With prime focus on environmental conservation, preservation of natural resources and enhancing resource use efficiency, the company actively promotes the sustainability as a core strategy. Initiatives and developments undertaken by the Company in this regard are as under:

a) **Increasing use of power from green sources:** The Company maintained its leadership position in utilizing green electricity (Waste Heat Recovery, Wind and Solar) within total electricity consumption. It significantly increased its green power capacity to 480.3 MW in FY 2023-24 from 385.6 MW in FY 2022-23, raising the share of green energy in total energy consumption to 55.9% from 51.1% the previous year. Additionally, the Company has identified new renewable energy projects at various locations which are under installation / pre-project implementation activities to further boost its share of green energy for meeting its captive requirement. The Company also continues to have the best operational efficiency of waste heat recovery systems within the industry.

b) **Partnering with RE100 initiative:** In March 2024, the Company became member of the RE100 initiative, a global initiative led by Climate Group, advocating for businesses to convert to 100 percent renewable electricity for all their operations. As part of this initiative, the Company has committed to using 100 percent renewable electricity by 2050. The Company has already increased its renewable power generation capacity over last few years and have further lined up investments to augment the same.

c) **Energy Conservation:** Energy conservation is a top priority for the Company, driving numerous innovations and initiatives over the years, ranging from shop-floor experiments to large capital expenditures. These efforts have resulted in multiple benefits, including avoiding carbon emissions and rationalization of production costs. Details on energy conservation initiatives are enclosed at **Annexure – 3** and forms part of this report. The Company has consistently overachieved its targets in PAT Cycles and has been honoured with the 'Best Performer' award for achieving the highest number of energy-saving certificates in both PAT Cycle I and PAT Cycle II by the Bureau of Energy Efficiency.

d) **Alternative Fuels:** The Company has made significant investments to enhance the utilization of alternative fuels in its operations. Alternative fuels comprise of hazardous waste from various industries, Municipal Solid Waste (MSW) as Refuse Derived Fuel (RDF) and biomass waste such as crop residue. This helps reduce reliance on fossil fuels. With a focus on enhancing the consumption of biomass, the Company replaced of more than 352.15 billion kCal heat from fossil fuel using agro waste (crop residue) during the FY 2023-24 against 308.75 billion kCal in the FY 2022-23. Company achieved a TSR of 2.37% within its kilns during FY 2023-24 and has stepped up its efforts to substantially enhance the TSR in upcoming years.

e) **Alternative Raw Material:** The Company is utilizing synthetic gypsum being produced captively to replace the consumption of mineral gypsum. The Company has been making constant efforts to enhance proportion of blended cement in its overall production so as to increase usage of fly ash and GBF Slag and thereby, reduce use of clinker to save natural resources such as limestone and fossil fuels. The Company's alternative raw material consumption stood at 11.39 MMT making up to 24.41 % within total raw material consumption during FY 2023-24.

f) **Green products:** The Company produces blended cement, including Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC), and Composite Cement (CC), adhering strictly to specified BIS norms. Blended cement reduce the consumption of natural resources like limestone, lowering greenhouse gas emissions, and contributing to a circular economy by utilizing waste materials from power, iron and steel plants. In FY 2023-24, blended cement accounted for 73.52% of the total cement production. The Company's blended cement products and Autoclaved Aerated Concrete (AAC) blocks have been certified by Greenpro Ecolabel, confirming to lower environmental footprint of these products, compared to other such products available in the market.

g) **Carbon Emissions:** The Company has set Science Based Targets to reduce its carbon emissions. To achieve the same, the Company's efforts are directed towards reduction in energy consumption, increasing green electricity consumption (including WHR, solar and wind), use of alternate fuels to substitute fossil fuels and higher production of blended cement.

h) **Water Conservation:** Water is a precious natural resource and therefore Company gives it utmost importance. Company's approach to water management includes optimization of its water consumption, treatment and recycling of wastewater and increase in availability of usable water through rainwater harvesting and recharging. The Company's initiatives to minimize its water consumption including installation of Air-Cooled Condensers in its thermal power plants and the establishment of Waste Heat Recovery based power plants have been highly successful. Rainwater harvesting structures constructed by the Company around all its operating facilities and within the community helps capture rainwater and recharge ground water aquifers. Further, the company uses its non-operational mine pits for collecting rainwater. 100% wastewater is recycled within plant operations for use within horticulture activities, mill spray, synthetic gypsum plant, dust suppression etc. after appropriate treatment as required. Sewage Treatment Plants are installed at all locations for treating domestic wastewater. Other optimization measures include water conservation through regular water audits, usage of water sensors & fixtures, drip irrigation for horticulture activities, water sprinklers for dust suppression etc.

These initiatives help increase water availability and reduce dependence on natural fresh water sources including ground water. The Company has utilized treated sewage water from municipalities at several water stress locations, which is used for manufacturing operations and other purposes. As a result of these efforts, the Company is now more than 7 times water positive.

i) **Environment, Social and Governance Reporting:** The Company is publishing its Environmental, Social and Governance performance annually through its sustainability reports since FY 2004-05. It also disclosed its performance with respect to various Business Responsibility principles as part of Business Responsibility Report (BRR) via annual report as part of its Annual Report, since FY 2012-13. In FY 2021-22, the Company released its first Integrated Annual Report, which included ESG disclosures based on GRI and other relevant guidelines. The Company has also published detailed disclosure on Business Responsibility principles through Business Responsibility and Sustainability Report (BRSR), as part of the Integrated Report since FY 2022-23.

j) **ESG Rating:** The Company actively participates in various external rating activities including those conducted by Dow Jones Sustainability Index (DJSI), CDP Climate Change and CDP Water Security. In FY 2022-23, the Company demonstrated significant improvement in its DJSI score, increasing from 53 to 62 compared to the previous year. This improvement underscores the Company's dedication to sustainability and its ongoing efforts to enhance environmental, social, and governance practices. During FY 2023-24, the Company has retained its leadership position in the CDP Climate Change, reaffirming its strong performance in mitigating climate risks and reducing carbon emissions. These ratings provide a platform to share best practices, driving collective progress towards sustainability goals within and across industries.

11. CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, Company was in compliance with the provisions relating to corporate governance as provided under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The compliance report is provided in the Corporate Governance section of this Annual Report. The Auditor's Certificate on Corporate Governance is enclosed at **Annexure - 1.**

12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with relevant SEBI Circulars, Company is releasing Business Responsibility and Sustainability Report ('BRSR') as part of this Annual Report covering new reporting requirements on ESG parameters. The BRSR seeks disclosure on the performance of the Company against nine principles of the 'National Guidelines on Responsible Business Conduct' ('NGRBCs').

13. CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee viz. CSR and Sustainability Committee, chaired by an Independent Director. The major CSR thrust areas of the Company include healthcare, education, women empowerment, infrastructure support, integrated rural development, etc. which are aligned to the areas specified under Schedule VII to the Companies Act, 2013 and integrated with national priorities. During the year 2023-24, the Company has incurred an amount of ₹51.34 crore on CSR activities in compliance with Section 135 of the Act. The Annual Report on CSR activities of FY 2023-24 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is enclosed at **Annexure – 2** and forms part of this report. The CSR Policy of the Company may be accessed on website of the Company at https://www.shreecement.com/investors/policies

14. SUBSIDIARY COMPANIES

The Company has following subsidiaries:

S. No.	Name of Subsidiaries	Nature of Interest
1.	Shree Global FZE	Wholly Owned Subsidiaries
2.	Raipur Handling and Infrastructure Private Limited	
3.	Shree Cement East Private Limited	
4.	Shree Cement North Private Limited	
5.	Shree Cement South Private Limited	
6.	Shree Enterprises Management Ltd.	Step-down Subsidiaries
7.	Shree International Holding Ltd.	
8.	Union Cement Company PrJSC	
9.	U C N Co. Ltd LLC	
10.	Shree Cement East Bengal Foundation	Subsidiary Company (Incorporated under section 8 of the Companies Act, 2013)

Audited financial statements of the subsidiaries of the Company are available on the website of the Company. The shareholders who wish to receive a copy of the Annual Accounts of the Subsidiary Companies may request the Company Secretary for the same. The policy for determining material subsidiaries as approved by the Board can be accessed on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

Pursuant to section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the subsidiary companies in prescribed Form AOC-1 is given in the Consolidated Financial Statements of Company and forms part of this Annual Report.

15. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared as required in terms of provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) by following the applicable Accounting Standards notified by the Ministry of Corporate Affairs and forms part of this Annual Report.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that:

- In the preparation of the annual accounts for the year ended 31st March, 2024 the applicable accounting standards have been followed and there are no material departures from the same;
- They have selected such accounting policies, judgments and estimates that are reasonable and prudent and have applied them consistently so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the statement of Profit and Loss as well as Cash Flow of the company for the year ended on that date;
- 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;
- The annual accounts have been prepared on a going concern basis;
- Necessary internal financial controls have been laid down by the Company and the same are commensurate with its size of operations and that they are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS

In terms of requirements of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and provisions of Companies Act, 2013, Nomination cum Remuneration Committee of the Board of Directors of the Company specified the manner for effective evaluation of performance of Board, its Committees and Individual Directors.

Based on the same, the Board carries out an annual evaluation of its own performance, performance of its Committees, Individual Directors including Independent Directors. Company adopted the evaluation parameters as suggested by the Institute of Company Secretaries of India and Securities and Exchange Board of India with suitable changes from Company's perspective. The performance of the Board is evaluated by the Board on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information flow to Board, functioning of the Board, etc. The performance of Committees is evaluated by the Board on the basis of criteria such as composition of Committees, effectiveness of Committee working, independence, etc. The Board evaluates the performance of individual Director on the basis of criteria such as attendance and contribution of Director at Board/Committee Meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/ Committee meetings, etc.

Company appoints an External Facilitator for the purpose of carrying out the performance evaluation in a fair and transparent manner.

Structured questionnaires are circulated to Board Members for providing feedback on various parameters (as stated above) including on performance of Board / Committees / Directors, engagement levels, independence of judgment and other criteria. This is followed with review and discussions at the level of the Board.

In a separate meeting of the Independent Directors, performance evaluation of Non-Independent Directors, the Board as a whole and performance evaluation of Chairman is carried out, taking into account the views of Executive and Non-Executive Directors. The quality, quantity and timeliness of the flow of information between the Company Management and the Board, which is necessary for the Board to effectively and reasonably perform their duties are also evaluated in the said meeting.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Nitin Dayalji Desai (DIN: 02895410) resigned from the position of the Independent Directors of the Company effective from the close of Business Hours on 21st March, 2024, due to his personal reasons. Further, at the time of resignation, he had confirmed that there were no other material reasons for his decision to resign.

The Board of Directors of the Company in its meeting held on 14th May, 2024, on the recommendation of Nomination cum Remuneration Committee appointed Mr. Sushil Kumar Roongta (DIN: 00309302) as an Independent Director of the Company w.e.f. 14th May, 2024 for a term of 5 (five) consecutive years, subject to approval of the members.

In accordance with section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), each Independent Director has given a declaration to the Company confirming that he/she meets the criteria of independence as specified under section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). They have also confirmed the compliance of Rule 6 of the Companies (Appointment and Qualification of Directors) Rule, 2014 regarding inclusion of their names in the databank of Indian Institute of Corporate Affairs (IICA).

The Board is of the opinion that the Independent Directors of the Company, including those appointed during the year, possess requisite qualifications, expertise and experience and they hold the highest standards of integrity.

In terms of the provisions of Section 203 of the Companies Act, 2013, Mr. Hari Mohan Bangur (DIN: 00244329), Chairman; Mr. Prashant Bangur (DIN: 00403621), Vice Chairman; Mr. Neeraj Akhoury (DIN: 07419090), Managing Director; Mr. S. S. Khandelwal, Company Secretary and Mr. Subhash Jajoo, Chief Finance Officer, are the Key Managerial Personnel of the Company.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Prashant Bangur, Director [Vice Chairman (in whole time capacity)] of the Company will retire by rotation in the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. The Board recommends the re-appointment of Mr. Prashant Bangur. His re-appointment at the 45th AGM as a director retiring by rotation would not constitute a break in his tenure of appointment.

19. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided at **Annexure - 4.**

In terms of the provisions of section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of employees and other particulars of the top ten employees and employees drawing remuneration in excess of the limits as provided in the said rules are set out in the Board's Report as an addendum thereto. However, in terms of provisions of the first proviso to section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during such working hours as are provided under the Articles of Association of the Company and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

20. AUDITORS

I. Statutory Auditors

M/s. B R Maheswari & Co LLP, Chartered Accountants (Firm's Registration No. 001035N/N500050) were appointed as Statutory Auditors of the Company, in the Annual General Meeting held on 28th July, 2022, for a consecutive term of five years from the conclusion of 43rd Annual General Meeting till the Conclusion of 48th Annual General Meeting. They have given their report on the Annual Financial Statements for the Financial Year 2023-24.

The Audit Report does not contain any qualification, reservation or adverse remark.

II. Secretarial Auditors

The Board had appointed M/s. Pinchaa & Co., Company Secretaries (Firm's Registration No. P2016RJ051800) as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2023-24. They have submitted their report in prescribed format and the same is enclosed at **Annexure - 5.** The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

III. Cost Auditors

The Cost Auditors are in the process of conducting the audit of cost records for year 2023-24 and shall submit their report in due course.

In terms of the provisions of section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of the Company have appointed M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024) to conduct the cost audit for the financial year ending 31st March, 2025 at a remuneration as stated in the Notice convening the 45th Annual General Meeting of the members. As required under the Companies Act, 2013, the remuneration payable to cost auditors has to be placed before the Members at the general meeting for ratification. Hence, a resolution seeking ratification of remuneration by the Members, payable to the Cost Auditors, forms part of the Notice of the ensuing 45th AGM.

Reporting of frauds by Auditors

During the year under review, Auditors of the Company have not identified and reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

21. OTHER DISCLOSURES

(a) **Composition of Audit Committee:** The Audit Committee comprises of Mr. Shreekant Somany as Chairman, Mr. Sanjiv Krishnaji Shelgikar and Mr. Zubair Ahmed as other Members. More details are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

(b) **Details of Meetings of Board and its Committees:** The Board of Directors of the Company met 6 times during the year to deliberate on various matters. The meetings were held on 22nd May, 2023, 26th July, 2023, 7th November, 2023, 31st January, 2024, 21st March, 2024 and 22nd March, 2024. Further details are available in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

(c) **Annual Return:** In terms of section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at link https://www.shreecement.com/investors/shareholder-information

(d) **Particulars of Loans, Guarantees or Investments:** Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Notes to the standalone financial statements.

(e) **Related Party Transactions:** All Related Party Transactions during the financial year 2023-24 were on arm's length basis and in ordinary course of business. They were all in compliance with the applicable provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). All such transactions are placed before the Audit Committee for review/approval. The necessary omnibus approvals have been obtained from the Audit Committee wherever required. There were no material Related Party Contracts/ Arrangements/ Transactions made by the Company during the year 2023-24 that would have required Shareholders' approval under provisions of section 188 of the Companies Act, 2013 or of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Company has adopted a Related Party Transactions Policy duly approved by the Board, which is uploaded on the Company's website & may be accessed at https://www.shreecement.com/investors/disclosure-regulation

Further, in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the transactions with person/entity belonging to the promoter/ promoter group holding 10% or more shareholding in the Company are as under:

Name of the Entity	% Holding in the Company	Amount (₹ in Crore)	Nature of Transaction
Shree Capital Services Ltd.	24.90%	0.53	Payment of office rent

(f) **Deposits from Public:** The Company has not accepted any deposits from the public covered under Chapter V of the Companies Act, 2013 during the year 2023-24 and as such, no amount on account of principal or interest on deposits from public was outstanding.

(g) **Issue of Non-Convertible Debenture (NCD):** During the year 2023-24, the Company raised proceeds of ₹700 crore from issuance of non-convertible debentures for 7 years on private placement basis at a coupon rate of 7.8% P.A. Axis Trustee Services Limited has been appointed as Debenture Trustee for the said issuance.

(h) **Managing the Risk of Fraud, Corruption and Unethical Business Practices**

Vigil Mechanism/Whistle Blower Policy: The Company has adopted a whistle blower policy and established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. The policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. The whistle blower policy may be accessed on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

Code of Conduct: Company believes in the principle of trust which can be derived through ethical practices, transparency and accountability to stakeholders. Keeping the same into account, the Company has in place a "Code of Conduct". Every director and employee is required to adhere to the same. The details of the code of conduct can be accessed on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

Anti-Bribery and Anti-Corruption Policy: To conduct the business in an ethical, honest and transparent manner, the Board of Directors of the Company has adopted the Anti- bribery and Anti-Corruption Policy. Company has zero tolerance approach toward bribery and corruption. The Policy applies to all the directors and employees of the Company and its subsidiaries including third parties who are working on behalf of Company/its subsidiaries. The details of the policy can be accessed on the website of the Company at https://www.shreecement.com/investors/policies

(i) **Remuneration Policy:** Company firmly believes in nurturing a people-friendly environment which is geared to drive the organisation towards high and sustainable growth. Each and every personnel working with the Company strives to achieve the Company's vision of being the best in the industry. Its remuneration policy is therefore designed to achieve this vision. The policy has been approved by the Board on the recommendation of Nomination cum Remuneration Committee. The policy is applicable to Directors, Key Managerial Personnel and other employees. The policy provides that while nominating appointment of a Director, the Nomination cum Remuneration Committee shall consider the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate the Directors / KMP / Employees for delivering high performance. The Remuneration Policy can be accessed on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

(j) **Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace:** The Company has complied with the provisions of the constitution of the 'Internal Committee' as per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), Company is having "Prohibition of Sexual Harassment Policy" which provides the mechanism to redress complaints reported under the said Act. As provided by the POSH Act, the Company has formed Internal Complaints Committees (ICC) at all workplaces to cover all Units, Sales offices, Regional office and corporate offices. The Internal Committee (IC) is comprised of internal members and external members who have extensive experience in the field. The Company has not received any complaint of sexual harassment during the financial year 2023-24.

(k) **Material Changes after the Close of the Financial Year:** There have been no material changes and commitments which have occurred after the close of the year till the date of this report, affecting the financial position of the Company.

(l) **Significant and Material Orders passed by the Regulators or Courts:** No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

(m) **Maintenance of Cost Records:** Company is required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, such accounts and records are made and maintained by the Company.

(n) **Compliance with Secretarial Standards:** Company has complied with the Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) on Board Meetings (SS- 1) and General Meetings (SS-2).

(o) Amalgamation and Merger:

(i) The Board of Directors in its meeting held on 7th November, 2023 had approved the Scheme of Amalgamation for merger of Shree Cement North Private Limited and Shree Cement East Private Limited (Wholly Owned Subsidiaries) with Shree Cement Limited (Holding Company).

(ii) Considering the revised investment strategy of the group and other considerations, the Board of Directors of the Company in its meeting held on 21st March, 2024 had decided to withdraw the aforesaid amalgamation scheme. The Hon'ble NCLTs, Kolkata and Jaipur Bench vide its order dated 5th April, 2024 and 10th April, 2024 respectively have approved the withdrawal of the said Scheme of Amalgamation.

22. ACKNOWLEDGEMENT

The Directors take this opportunity to express their deep sense of gratitude to its Central and State Governments and local authorities for their continued co-operation and support. They would also like to place on record their sincere appreciation for the commitment, hard work and high engagement level of every member of the Shree family without which the exemplary performance of the Company year after year, would not have been possible. The Directors would also like to thank various stakeholders of the Company including customers, dealers, suppliers, lenders, transporters, advisors, local community, etc. for their continued committed engagement with the Company. The Directors would also like to thank the Members of the Company for their confidence and trust reposed in them.

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Date: 14th May, 2024
Place: Gurugram

Annexure-1 to the Board's Report

Independent Auditors' Certificate on Corporate Governance

To,
THE MEMBERS OF SHREE CEMENT LIMITED

1. We, **B R Maheswari & Co LLP, Chartered Accountants,** the Statutory Auditors of Shree Cement Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para–C and D of Schedule V of the SEBI Listing (Obligation and Disclosure requirements) Regulations, 2015 (the Listing Regulations).

2. Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal controls and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

3. Auditors' Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial Statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

7. Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para–C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2024.

8. We 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 B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075

Date: 14th May, 2024
Place: Gurugram
UDIN: 24081075BKFDJX1064

Annexure-2 to the Board's Report

Annual Report on Corporate Social Responsibility Activities for year ended 31st March, 2024

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended)]

1. Brief outline on CSR Policy of the Company

The Company follows a community development strategy with initiatives interlinked to its long-term objectives for sustainable development. Its business and economic growth has always been underlined/ complimented by adherence to environmental preservation, societal upliftment and financial prudence. Accordingly, the Company has made social development an integral part of its business objectives to bring about a meaningful change in the lives of people/ communities associated with it. The projects / activities/ interventions undertaken by the Company in the field of corporate social responsibility fall within the broad framework of Schedule VII to the Companies Act, 2013 which interalia include wide range of areas aligned to national priorities and sustainable development such as education, healthcare, sustainable livelihood, women empowerment, rural and infrastructure development, environment protection, supporting widows/ dependents of martyrs of armed forces and promotion of art, culture & sports, epitomizing a holistic approach to inclusive growth.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sanjiv Krishnaji Shelgikar (appointed as Chairman w.e.f. 22nd March, 2024)	Chairman, Independent Director	-	-
2.	Mr. Prashant Bangur	Member, Vice Chairman	1	1
3.	Ms. Uma Ghurka	Member, Independent Director	1	1
4.	Mr. Neeraj Akhoury	Member, Managing Director	1	1
5.	Mr. Nitin Desai (Ceased w.e.f. 21st March, 2024 consequent upon cessation of office of Director)	-	1	1

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

Composition of CSR Committee is available on Company's website at following link: https://www.shreecement.com/investors/disclosure-regulation

CSR policy of the Company is available at its website at https://www.shreecement.com/investors/policies

Details about CSR activities of the Company are available at https://www.shreecement.com/sustainability#community

4. Provide the executive summary alongwith web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

In line with sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, during the year 2023-24, the Company carried out impact assessment through an independent agency for the applicable projects undertaken in year 2022-23.

These projects pertained to thematic areas of rural development, training and promotion of sports, construction of community assets, etc. The impact assessment reports for these projects have been uploaded on website of the Company at https://www.shreecement.com/sustainability/sustainability-reports.

5. (a) **Average net profit of the company as per sub-section 5 of section 135**
₹2,810.17 Crore

(b) **Two percent of average net profit of the company as per sub-section 5 of section 135**
₹56.20 Crore

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

(d) **Amount required to be set off for the financial year, if any**
₹13.96 Crore

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]**
₹42.24 Crore

6. (a) **Amount spent on CSR Project (both Ongoing Project and other than Ongoing Project)**
₹48.90 Crore

(b) **Amount spent in Administrative Overheads**
₹2.44 Crore

(c) **Amount spent on Impact Assessment, if applicable**
NIL

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]**
₹51.34 Crore

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

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

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

Sl. No.	Particular	Amount (₹ in Crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135 [Refer point 5(e)]	42.24
(ii)	Total amount spent for the Financial Year	51.34
(iii)	Excess amount spent for the financial year [(ii) – (i)]	9.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	9.10

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

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ Crore)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹ Crore)	Amount Spent in the Financial Year (in ₹ Crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ Crore)	Deficiency, if any
					Amount (₹ Crore)	Date of Transfer		
1	FY-1							
2	FY-2	NIL	NIL	NIL	NIL	NA	NIL	NA
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired

NA

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

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135

Not applicable

Date: 14th May, 2024
Place: Gurugram

Neeraj Akhoury
Managing Director
DIN: 07419090

Sanjiv Krishnaji Shelgikar
Chairman – CSR and Sustainability Committee
DIN: 00094311

Annexure-3 to the Board's Report

[Pursuant to section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of Energy:

- Installation of Delta Star Converter & conversion to Permanent Star Connection of partly loaded Motors.
- Installation of latest design New Energy Efficient fans in place of existing inefficient fans.
- Installation of Occupancy/Motion/Photo Voltaic Sensor in lighting circuits at various locations to reduce idle running of lights.
- IE4 Motors replaced with IE2 Motors.
- Installation of Screw Compressor with VFD for plant air in place of reciprocating compressors at Grinding Units.
- Installation of air slider connectivity between silos of different cement mills to optimize transfer of materials.
- Installation of LP Screw Compressor in place of HP compressor for bulker unloading.
- Modification in hopper feeding system to replace feed belt conveyors by diverting gates.
- Bag filters from old and new slag BRUs removed from the circuit.
- Computational Fluid dynamics (CFD) of Pre-heater cyclone and riser ducts to enhance heat transfer along the riser ducts.
- Replacement of conventional light (CFL, Tube lights) with LED & Solar lights at various locations.
- Installation of Solar operated pumps for drawing water from tanks.
- Feedback to bag filter fans from Bag filter suction pressure to vary fan RPM for energy saving.
- Installation of MVD in BCP Bag house fan.
- Optimization of Bucket Elevators Capacity.
- Kiln Return Water Pump Operation by-passed as Water Line Connected Directly to Cooling Tower.
- HAG Hopper Feeding Reversible Belt Removed from Circuit and Diverting Gate Installed.
- Modification in circuit at various sites to avoid running of Bag filters, Belt conveyor, fans and blowers.
- Compressed air pressure of Clinker & Packing plant bag filters from 5.5 Bar to 4.5 Bar.
- Installation of new parallel gypsum feeding circuit.
- Installation of cement bag identification system at Packing Plant.
- Modification of vehicle sensor at DFA unloader to optimize RPM of bag filter.
- Optimization of running hours of cooling fans of instrument control panel.
- Installation of mist spray system under Air cooled condenser to reduce the temperature of cooling air for maintaining vacuum in turbine during high temperature conditions.
- Use of Thermal CPP Boiler startup vent-out waste steam in WHR turbines through PRDS system.
- Full atomization of ACC outside fin cleaning system for energy saving.
- Reuse of Chimney Exit Air by Recirculation in HAG by connecting it to HAG induce fan with eliminating fresh air at grinding Unit(s).
- Modification of CMBH Fan by Cut off gap reduction to increase fan efficiency and power cost.
- Optimization of Earthmovers with mechanised clinker feeding to reduce diesel consumption.

(b) Steps taken by the company for utilising alternate sources of energy:

- Installation of Renewable Energy Power Plants at various locations.
- Use of alternative fuel in clinker production and power generation.
- Increase in capacity of waste heat recovery power plants.
- Installed synthetic gypsum plant.

(c) Capital investment on energy conservation equipment: ₹1,172.82 crore

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

- Industrial waste utilization to increase thermal substitution rate.
- Internal Computational Fluid Dynamic (CFD) cell establishment with purchasing of latest software module.

- Adoption of Centrifugal Compressor technology first time in Indian Cement Industry with waste heat recovery system.
- AFR feeding and shredder system, to improve the utilization of AFR in control manner.
- Adoption of latest LP compressor technology for bulker unloading.
- Adoption of PSD (particle size distribution) analyzer technology for raw mill grinding to improve the quality and energy efficiency of the grinding system.
- Dedicated internal Energy Management Cell to carry out energy audit and technology upgradations.
- Company has leading research & development centres at Beawar and Ras, both of which are recognized by Department of Science & Industrial Research (DSIR), Government of India. It makes continuous efforts towards adoption and implementation of new technologies, which assist in reducing the Company's carbon footprint.
- Company's officials participate in various national and international seminars on technology upgradation, adaptions & innovation and share knowledge at various global forums at National & International platforms.

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

- Energy conservation
- Emission reduction
- Conservation of natural resources
- Improvement in equipment efficiency and productivity
- Cost reduction

(iii) Information regarding imported technology (imported during last three years reckoned from the beginning of the financial year): NIL

(iv) Expenditure incurred on Research and Development:

(₹ in Crore)

Particulars	FY 2023- 24	FY 2022-23
Capital	39.58	12.02
Revenue	19.20	25.81
Total	**58.78**	**37.83**
Total R&D Expenditure as a % of Turnover	**0.30%**	**0.22%**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Crore)

Particulars	2023-24	2022-23
Earned	317.84	10.05
Outgo	4,388.17	3,396.31

For and on behalf of the Board

Date: 14th May, 2024
Place: Gurugram

H. M. Bangur
Chairman
DIN: 00244329

Annexure-4 to the Board's Report

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24, the percentage increase in remuneration of each Director, Chief Finance Officer and Company Secretary during the financial year 2023-24 are as under:

S.N.	Name of Director / KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in the remuneration for the Financial Year 2023-24
1.	Mr. Hari Mohan Bangur - Chairman / KMP	869.22	7.28%
2.	Mr. Prashant Bangur - Vice Chairman / KMP	459.35	5.15%
3.	Mr. Neeraj Akhoury - Managing Director/KMP	291.13	-0.02%
4.	Mr. Shreekant Somany - Independent & Non-Executive	5.55	-10.71%
5.	Mr. Nitin Dayalji Desai - Independent & Non-Executive [Ceased w.e.f. 21st March, 2024 (Close of Business Hours)]	6.30	1.42%
6.	Mr. Sanjiv Krishnaji Shelgikar - Independent & Non-Executive	6.44	-3.33%
7.	Ms. Uma Ghurka - Independent & Non-Executive	5.44	-2.00%
8.	Mr. Zubair Ahmed - Independent & Non-Executive	5.88	29.35%
Key Managerial Personnel (Other than Chairman, Vice Chairman and Managing Director)			
1.	Mr. S. S. Khandelwal Company Secretary	Not Applicable	8.43%
2.	Mr. Subhash Jajoo Chief Finance Officer	Not Applicable	8.41%

ii. The percentage increase in the median remuneration of Employees in the Financial Year:

There was 6.97% increase in the median remuneration of employees during 2023-24.

iii. The No. of Permanent Employees on the rolls of Company:

No. of Permanent Employees on the rolls of the Company as on 31st March, 2024 were 7,073.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was 7.25% whereas the increase in the managerial remuneration (working directors) was 5.29%. The remuneration of Working Directors is decided based on Industry trend, remuneration package in other comparable Corporates, Job contents, key performance areas and Company's performance (including ESG).

v. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Date: 14th May, 2024
Place: Gurugram

H. M. Bangur
Chairman
DIN: 00244329

Annexure-5 to the Board's Report

Form No.: MR-3

Secretarial Audit Report

For the Financial Year ended on 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,
Shree Cement Limited
Bangur Nagar, Beawar,
Rajasthan-305 901

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices followed by **Shree Cement 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 **Shree Cement Limited'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 period covering the financial year ended on 31st March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 ("period under review") according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the period under review)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, The Securities and Exchange Board of India (Share Based Employees Benefits) Regulation, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity)Regulation 2021; **(Not applicable to the Company during the reporting period under audit)**

(e) 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;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the period under review)**

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the period under review) &**

(h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

We further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company to the extent possible:

(a) The Mines Act 1952, and Rules made thereunder, as amended from time to time;

(b) Mines and Minerals (Development and Regulation) Act, 1957 and Rules made thereunder, as amended from time to time;

(c) The Indian Electricity Act, 2003 and Rules made thereunder and other applicable Regulations, if any.

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

(i) Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that, during the year under review:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per the Companies Act, 2013 ("the Act"). The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings in accordance with the provisions of the Act. Agenda and detailed notes on agenda were sent in advance except in cases where meetings were convened at a shorter notice. The Company has followed the provisions of the Act for convening meeting at the shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there was no instance of any director expressing any dissenting views as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

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

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except as follows:

a) The Company has altered the existing Main Objects of the Memorandum of Association [Clause III. (A)], via special resolution passed through the Postal ballot (The resolution is deemed to have been passed on Sunday, 9th April, 2023 i.e. the last date of e-voting and receipt of Postal Ballot Forms).

b) Income Tax Department conducted survey in June 2023 at Company locations under applicable provisions of Income Tax Act.

c) The Company has received a letter dated 19.07.2023 from the office of Regional Director (NWR), Ministry of Corporate Affairs (MCA) informing order of inspection under Section 206(5) of the Companies Act, 2013.

d) The "NCD Committee" of the Board of Directors of the Company at its meeting held on 26th September, 2023 has approved allotment of 70,000 (Seventy Thousand) secured, rated, redeemable, taxable, non-convertible debentures ("NCDs") having face value of ₹1,00,000/- (Rupees One Lac only) each for cash at par aggregating to ₹700,00,00,000/- (Rupees Seven Hundred Crores only) on private placement basis.

e) The Board of Directors of the Company in its meeting held on 7th November, 2023, considered and approved the draft Scheme of Amalgamation of Shree Cement North Private Limited and Shree Cement East Private Limited ("Transferor Companies") with the Shree Cement Limited ("Transferee Company") and their respective shareholders pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the same was filed with Hon'ble National Company Law Tribunal (NCLT), Jaipur and Kolkata Bench.

f) The Company has amended the Articles of Association of the Company via special resolution passed through the Postal ballot

(The resolution is deemed to have been passed on 21st December, 2023 i.e. the last date of e-voting and receipt of Postal Ballot Forms).

g) The Board of Directors of Shree Cement Limited and Transferor Companies in their respective meetings held on 21st March, 2024 decided to withdraw the said Scheme of Amalgamation of Shree Cement North Private Limited and Shree Cement East Private Limited ("Transferor Companies") with the Shree Cement Limited ("Transferee Company") and their respective shareholders filed with Hon'ble National Company Law Tribunal (NCLT), Jaipur and Kolkata Bench.

For Pinchaa & Co.
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M. No. : FCS 11285
C. P. No.:16300

Date: 14th May, 2024
Place: Jaipur
UDIN:F011285F000362801

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

Annexure-A

To
The Members,
Shree Cement Limited
Bangur Nagar, Beawar,
Rajasthan-305901

The above 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 the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I 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. We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial and operational controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the audit process.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Pinchaa & Co.
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M. No. : FCS 11285
C. P. No.:16300

Date: 14th May, 2024
Place: Jaipur
UDIN:F011285F000362801

Report on Corporate Governance

CORPORATE GOVERNANCE PHILOSOPHY

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximise stakeholders' value. The Company has always conducted itself by adhering to the core values of transparency, accountability and integrity in all its business practices and management. The essence of Corporate Governance is about maintaining the right balance between economic, social and community goals. The Company believes that a business can be successful if it is ethical and meets the aspirations of all its stakeholders which include shareholders, employees, suppliers, customers, investors, communities etc.

Over the years, we have strengthened relationships with our stakeholders in a manner that is dignified, distinctive and responsible. We continue to review and benchmark the corporate governance practices of the Company against best practices. These practices being followed since inception have contributed to the Company's sustained growth. The Company believes in carrying out its operations in a sustainable manner with minimal carbon footprints and optimal utilization of natural resources. The Board is collectively responsible to ensure that processes are structured to direct the Company's actions, assets and agents to achieve the aim of maximisation of stakeholders' value.

BOARD OF DIRECTORS

Composition & Board Diversity

The Board of Directors ('the Board') of the company comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to maintain the independence of the Board and also to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. As on date, the Board consists of eight members, three of whom are Executive Directors and five Independent Directors including one Women Independent Director (As on 31st March, 2024, the Board had Seven members, with three Executive Directors and four Independent Directors including one Women Independent Director). The members of the Board are from diverse background having expertise in the fields of management, economics, sustainability, energy efficiency, finance & taxation, etc.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby, enhancing stakeholders' value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board also plays a crucial role in overseeing how the management serves the short and long term interests of stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. For Directors' Profile, please refer the 'Profile of Directors' section in the Annual Report.

Skills/Expertise/Competence of the Board of Directors

Core skills/expertise/competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

Sl. No.	Skills / Expertise / Competence required by the Board of Directors		Status of availability with the Board
1	Understanding of Business /Industry	Experience and knowledge of business related issues in general and those of manufacturing in particular	✓
2	Strategy and strategic planning	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities	✓
3	Critical and innovative thoughts	The ability to analyse the information and share innovative approaches and solutions to the problems	✓
4	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects & efficient use of resources	✓
5	Market Understanding	Understanding of the Cement Market dynamics	✓
6	Risk and compliance Oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliances, and monitor risk and compliance management frameworks	✓

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under:-

Name of Directors	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Mr. Hari Mohan Bangur, Chairman	✓	✓	✓	✓	✓	✓
Mr. Prashant Bangur, Vice Chairman	✓	✓	✓	✓	✓	✓
Mr. Neeraj Akhoury, Managing Director	✓	✓	✓	✓	✓	✓
Mr. Shreekant Somany, Independent Director	✓	✓	✓	✓	✓	✓
Mr. Nitin Dayalji Desai, Independent Director (Ceased w.e.f. close of Business Hours on 21st March, 2024)	✓	✓	✓	✓	✓	✓
Mr. Sanjiv Krishnaji Shelgikar, Independent Director	✓	✓	✓	✓	✓	✓
Ms. Uma Ghurka, Independent Director	✓	✓	✓	✓	✓	✓
Mr. Zubair Ahmed, Independent Director	✓	✓	✓	✓	✓	✓
Mr. Sushil Kumar Roongta, Independent Director (Appointed w.e.f. 14th May, 2024)	✓	✓	✓	✓	✓	✓

Selection, Appointment and Tenure of Directors

As per the Remuneration Policy, the Nomination cum Remuneration Committee facilitates the Board in identification and selection of the Directors carrying high integrity, relevant expertise and experience so as to have well diverse Board.

The Directors including the Independent Directors are appointed or re-appointed with the approval of the shareholders in accordance with the provisions of the law. The Executive Directors and Non-Executive Directors are normally appointed for a term of five consecutive years.

As required under Regulation 46(2)(b) of the Listing Regulations and Para IV of Schedule IV of the Companies Act, 2013, the Company issues formal letter of appointment to the Independent Directors. The specimen thereof has been posted on the website of the Company in terms of the said provisions and can be accessed on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

Independent Director: During the year 2023-24, Mr. Nitin Dayalji Desai, resigned from the position of the Independent Director of the Company effective from the close of Business hours on 21st March, 2024 due to his personal reasons. Further, at the time of resignation, he also confirmed that there were no other material reasons for his resignation other than the one as mentioned above.

Category and Attendance of Directors

The names and categories of Directors, their attendance at the Board Meetings held during the year 2023-24 and at the last Annual General Meeting, and also the number of Directorships held by them in other Companies, Committee Membership / Chairmanship held by them, Directorship held in other listed entities and category of directorship are given below:-

Name of Directors	Category		Attendance at AGM held on 26th July, 2023	No. of Board meetings attended during 2023-24	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at 31st March, 2024	Directorship in other listed entity & Category of Directorship	Inter-se relationship among other Directors
Mr. Hari Mohan Bangur	Promoter Director	Chairman	Yes	5	-	-	-	4,88,284 (refer note 1)	-	Mr. Hari Mohan Bangur is father of Mr. Prashant Bangur.
Mr. Prashant Bangur		Vice Chairman	No	3	4	-	-	3,89,750 (refer note 2)	-	
Mr. Neeraj Akhoury	Professional Director	Managing Director	Yes	6	-	-	-	-	-	NIL
Mr. Shreekant Somany	Independent Director (Non – Executive)		No	3	4	3	1	-	1. Somany Ceramics Limited (Chairman & Managing Director) 2. JK Tyre & Industries Limited (Independent Director)	
Mr. Nitin Dayalji Desai (ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent Director (Non – Executive)		Yes	5	Not applicable					
Mr. Sanjiv Krishnaji Shelgikar	Independent Director (Non – Executive)		Yes	4	6	-	-	-	-	
Ms. Uma Ghurka	Independent Director (Non – Executive)		Yes	4	4	-	-	-	-	
Mr. Zubair Ahmed	Independent Director (Non – Executive)		Yes	4	-	-	-	-	-	

Notes:

1. Out of 4,88,284 shares held by Mr. Hari Mohan Bangur, the beneficial interest on 10,100 shares is held by the following Trusts/Institutions (belonging to Promoters Group):
   - Sundar Devi Bangur Family Trust (Private Trust): 3,000 shares
   - Sri Rama Nidhi (Family Deity): 7,100 shares
2. Out of 3,89,750 shares held by Mr. Prashant Bangur, the Beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group)
3. The Directorships held by Directors as mentioned above, do not include directorships in foreign Companies.
4. In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairpersonships of only Audit Committees and Stakeholders Relationship Committees in all public Companies (Excluding Shree Cement Ltd.) have been considered.

Six (6) meetings of the Board of Directors of the Company were held during financial year 2023-24 i.e. on 22nd May, 2023, 26th July, 2023, 7th November, 2023, 31st January, 2024, 21st March, 2024 and 22nd March, 2024. The gap between any two meetings did not exceed 120 days.

Board Procedures

The Board of Directors of the Company acts in the capacity of 'management trustee', being responsible for managing the affairs of the Company on behalf of the shareholders. Therefore, it is absolutely necessary to ensure complete transparency and foresightedness in the decision-making process. The Board takes decision based on detailed discussions and deliberations. The members of the Board have complete independence to raise any issue/matter for discussion.

Meetings of the Board are governed by a structured agenda. Agenda of meeting is circulated to the Board Members well in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. To supplement this, it is ensured that Board Members are presented with all the relevant information, in addition to the agenda of the meeting, for review on vital matters affecting the working of the Company including the minimum information to be placed before the Board as inter alia specified under Regulation 17(7) of the Listing Regulations.

Board Independence

Five out of Eight Directors of the Company are Independent Directors (non-executive directors) as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Companies Act, 2013 along with the rules framed thereunder. Further, in terms of Regulation 25(8), they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. All Independent Directors make disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee and commission as an Independent Director. Based on the declarations received from the Independent Directors, the Board of Director of the Company are of the opinion that the Independent Directors fulfill the criteria of independence as specified under the Listing Regulations and that they are independent of the Management of the Company.

As required under rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), all the Independent Directors of the Company have affirmed that their names are enrolled with Independent Director's databank.

Separate Meeting of Independent Directors

During the year under review, the Independent Directors of the Board met, without the presence of any Non-Independent Director and/or Management Representative, on 31st January, 2024 to inter-alia discuss the following:-

- Review of performance of Non-Independent Directors;
- Review of performance of Board as a Whole;
- Review of Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors were assisted by an independent external facilitator to carry out the evaluation process. The outcome of the meeting was apprised to the Chairman of the Company.

Induction and Familiarization Programme for Independent Directors

A detailed presentation is provided to the Independent Directors of the Company every year, which covers their role, duties and responsibilities, Company's strategy, business model, nature of industry in which the company operates, operations, markets, organisation structure, products, etc.

As a part of Board discussions, presentation on performance of the Company is made to the Board during its meeting(s). Plant visits are also arranged for Independent Directors from time-to-time for better understanding of the Company's operations. The details of such Familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at link https://www.shreecement.com/investors/disclosure-regulation

Succession Plan

The Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Key Management Personnel and Senior Management.

Governance Structure

The Company has put in place a governance structure with defined roles and responsibilities of every constituent of the system. The shareholders of the Company appoint the Directors who act as trustees towards the stakeholders of the Company. The Board of Directors discharges its responsibilities in an effective manner with the help of various Board Committees and the Management of the Company. The Company Secretary acts as Secretary to all Committees of the Board. The Chairman of the Company is responsible for fostering a culture which enables the Board to carry out its functions in a harmonious manner and ensure that the Board provides effective governance and guidance to the Company. The Chairman presides over the meetings of the Board and also meeting of Shareholders of the Company. The Chairman is responsible for taking strategic decision for overall direction of the Company. The Vice Chairman is responsible for overall management of the Company and provides strategic direction for business strategies, growth and expansion of business along-with taking all other policy decisions having significant business and financial implications. The Managing Director is responsible for overall management of the Company including executing all strategic and policy decisions and providing critical insights and directions in the operational and management decisions of the Company. Company Senior Management meets regularly to review, discuss and monitor performance, draw strategies, make policies and take decision on important matters relating to day to day operations of the Company. The Senior Executives of the Company execute the day-to-day operational matters under the overall guidance and supervision of the Chairman, Vice Chairman and Managing Director thereby, strengthening the effectiveness of control in managing the affairs of the Company.

BOARD COMMITTEES

The Board has constituted the following Committees of Directors to look into and monitor the matters falling within their terms of reference:-

A. Audit Committee

The Audit Committee reviews the matters falling within its terms of reference and addresses larger issues that could be of vital concerns to the Company. The Audit Committee has been constituted by the Board in terms of guidelines provided under section 177 of the Companies Act, 2013 and Listing Regulations.

A.1. Terms of Reference

The terms of reference of the Audit Committee broadly includes matters pertaining to review of financial reporting process, adequacy of internal control systems, discussion of financial results, interaction with Auditors, appointment and remuneration of Auditors, adequacy of disclosures, and other relevant matters. In particular, these include:-

- Review the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Director's Responsibility Statement of the Board's Report in terms of clause (c) of sub-section (3) of section 134 of the Act;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s), if any, in the draft audit report.
- Review the quarterly financial statements before submission to the Board for approval;
- Review the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or qualified institutions placement, and to make appropriate recommendations to the Board to take up steps in this matter;
- Reviewing the financial statements of subsidiaries, in particular, the investments made by the unlisted subsidiaries of the Company, if any;
- Oversight Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing and monitoring the Auditor's independence & performance and effectiveness of audit process;
- Approval (including omnibus approval) or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review the utilisation of loans and/ or advances / investment made in the subsidiary Company(ies) exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings & follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any areas of concern;
- To review the functioning of the whistle blower mechanism;
- Review of statement of deviations in terms of regulation 32 of the listing regulations;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Review the management discussion and analysis of financial condition and results of operations;
- Review the management letters / letters issued by the Statutory Auditors and internal audit reports on internal control weaknesses;
- Review statement of significant related party transactions;
- To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

A.2. Composition, meetings and attendance

All members of the Audit Committee are Independent Director and having good financial knowledge. Mr. Shreekant Somany, Chairman of the Audit Committee is having the relevant accounting and financial management expertise. During the year 2023-24, the Audit Committee met four times i.e. on 22nd May, 2023, 26th July, 2023, 7th November, 2023 and 31st January, 2024. The maximum gap between any two meetings was not more than 120 days. The composition of Committee and particulars of attendance of the Committee member are given below:

Name of Member and Chairman	Category	Qualification of the Member	No. of Meetings Attended
Mr. Shreekant Somany Chairman	Independent & Non - Executive Director	The Chairman is eminent Industrialist having rich experience of Business. He has good accounting and financial management knowledge.	2
Mr. Nitin Dayalji Desai (Ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent & Non - Executive Director	Member was a noted Economist. He had good accounting and financial management knowledge	4
Mr. Sanjiv Krishnaji Shelgikar	Independent & Non - Executive Director	Member is a veteran Chartered Accountant and possesses good accounting and financial management expertise	3
Mr. Zubair Ahmed	Independent & Non - Executive Director	Member is Master of Arts and has done its Bachelor's in Arts with Economics as its subsidiaries. He is Ex-Managing Director of Gillette India Ltd & GSK Consumer Healthcare India Ltd and has held many key positions as Director. He has good accounting and financial management knowledge	4

The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.

A.3. Invitees to the Audit Committee

The Chairman, Vice Chairman, Managing Director, Chief Finance Officer (CFO) and Company Secretary along with the representative(s) from Statutory and Internal Auditors of the Company are permanent invitees for responding to the observations/ queries of the Audit Committee. Also, other directors of the Company join the meeting based on requirement as invitees.

B. Nomination cum Remuneration Committee

The Nomination cum Remuneration Committee is constituted by the Board in terms of guidelines provided under section 178 of the Companies Act, 2013 and Listing Regulations.

B.1. Terms of Reference

Nomination cum Remuneration Committee is empowered to –

- Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board for their appointment and/or removal;
- Formulate the system and procedure for evaluating performance of Directors;
- Formulate the criteria for evaluation of performance of Independent Directors and of the Board of Directors as a whole and its Committees;
- To see the diversity of the Board of Directors of the Company;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of role and capabilities required of an independent director;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

B.2. Composition, meetings and attendance

The Nomination cum Remuneration Committee consists of all Independent Directors. During the year 2023-24, the Committee met on 26th July, 2023 and 7th November, 2023. The composition of the Committee and particulars of attendance at the Committee Meetings are given below:

Name of the Member and Chairman	Category	No. of Meetings Attended
Mr. Zubair Ahmed - Chairman (Appointed as Chairman w.e.f. 22nd March, 2024)	Independent & Non-Executive Director	-
Mr. Nitin Dayalji Desai (Ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent & Non-Executive Director	2
Mr. Shreekant Somany	Independent & Non-Executive Director	1
Mr. Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	2

B.3. Performance evaluation criteria for Independent Directors

The performance evaluation criteria laid down for the Independent Directors cover their attendance and contribution at Board/ Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution, inputs in the Board/ Committee meetings, etc.

B.4. Remuneration Policy

The Company believes in nurturing a people friendly environment which is geared to drive the organization towards high and sustainable growth. Each and every personnel working with the Company strives to achieve the Company's vision of being the best in the industry.

The Company follows a policy applicable for appointment and fixing of remuneration for all the Directors as well as Key Managerial Personnel (KMP) of the Company. It also includes appointment and remuneration of senior management personnel. The appointment and remuneration of other employees of the company are also guided by the said policy.

The Remuneration Policy of the Company is posted on the website of the Company and can be accessed at https://www.shreecement.com/investors/disclosure-regulation

B.5. Remuneration of Directors

Executive Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the Nomination cum Remuneration Committee. The remuneration is decided based on broad criteria like industry trend, remuneration package in other peer group companies, job contents, key performance areas, Company's financial, sustainability and operational performance etc. The remuneration structure comprises of salary, contribution to provident, superannuation & annuity funds, perquisites & allowances and gratuity in accordance with the Company's rules. The payment of Commission to the Executive Directors, at the end of the year, is determined and approved by the Board. Necessary approvals from shareholders are sought in the general meetings for approval of the remuneration package(s). Executive Directors are not paid any sitting fees for attending meetings of Board and Committees thereof.

Non-Executive Directors

The remuneration of the Non-Executive Directors comprises of sitting fees and commission. Non-Executive Directors are paid sitting fees of ₹75,000 for each meeting of the Board and its Committees attended by them which is within the limits prescribed under the Companies Act, 2013. Besides the sitting fees, they are also paid commission. Payment of commission to Non-Executive Directors including Independent Directors is made based on their contribution in the Board deliberations and Company' performance. None of the Non-Executive Director has any pecuniary relationship or transaction with the Company apart from receiving the sitting fee and commission as aforesaid. The Commission is paid on uniform basis (pro-rata to those who are in office for part of the year) to reinforce the principle of collective responsibility.

The details of remuneration package, fees paid, etc. to the Directors for the year ended on 31st March, 2024 are given hereunder: -

A. Executive Directors

(₹ in Lac)

Director	Category	Fixed Component		Performance Linked Incentives/ Commission	Total
		Basic Salary	Allowances Perquisites and other Benefits		
Mr. Hari Mohan Bangur	Chairman	2,340.00	2,233.61	1,300.00	**5,873.61**
Mr. Prashant Bangur	Vice Chairman	648.00	1,256.00	1,200.00	**3,104.00**
Mr. Neeraj Akhoury	Managing Director	688.44	1,278.85	-	**1,967.29**

B. Non-Executive Directors

(₹ in Lac)

Director	Category	Commission	Sitting Fees	Total
Mr. Shreekant Somany	Independent Director	33.00	4.50	**37.50**
Mr. Nitin Dayalji Desai (Ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent Director	32.10	10.50	**42.60**
Mr. Sanjiv Krishnaji Shelgikar	Independent Director	33.00	10.50	**43.50**
Ms. Uma Ghurka	Independent Director	33.00	3.75	**36.75**
Mr. Zubair Ahmed	Independent Director	33.00	6.75	**39.75**

Service Contract, Notice Period, Severance Fees and Stock Options

- The appointment of Mr. Hari Mohan Bangur, Chairman, Mr. Prashant Bangur, Vice Chairman and Mr. Neeraj Akhoury, Managing Director of the Company are for five years from the date of their respective appointments.
- Notice period as per the Rules of the Company.
- Except Gratuity and Earned Leave at the end of the tenure, no other severance fees is payable.
- No Stock Options were granted during the year.

D&O Insurance for Directors

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has a Directors and Officers Insurance policy ("D&O") for all its Directors and members of the senior management for such quantum and for such risks as determined by the Board.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted by the Board in terms of section 178 of the Companies Act, 2013 and Listing Regulations.

C.1. Terms of Reference

Stakeholders' Relationship Committee is empowered to –

- Review and resolve the grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates etc;
- Review measures taken for effective exercise of voting rights by shareholders;
- Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely payment of dividend/ dispatch of annual reports/statutory notices to the shareholders of the Company.

C.2. Composition, meeting and attendance

During the year 2023-24, one meeting of the Committee was held on 31st January, 2024. In the said meeting, the Committee reviewed the status of investors' complaints received and resolved during the calendar year 2023, Investors' Service Status Report, Status of Dematerialisation of Share Capital of the Company, Compliance with IEPF Rules, etc. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Mr. Sanjiv Krishnaji Shelgikar – Chairman	Independent & Non-Executive Director	1
Mr. Nitin Dayalji Desai (Ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent & Non-Executive Director	1
Mr. Neeraj Akhoury	Executive Director	1
Ms. Uma Ghurka (Appointed w.e.f. 22nd March, 2024)	Independent & Non-Executive Director	-

C.3. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

Link Intime India Private Limited is acting as the Registrar & Share Transfer Agent of the Company to carry out the share transfer / transmission & other related work. Mr. S.S. Khandelwal, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent / Company has timely resolved / attended all the complaints and no complaint or grievance remained unattended / unresolved at the end of the year. Details of the complaints received and resolved during the year ended 31st March, 2024 are as under:-

Sl. No.	Nature of Complaints	No. of Complaints received	No. of Complaints resolved
1	Dividend Related	1	1
2	IEPF claim Related	4	4
3	Investor Service Request Related	3	3
4	Duplicate Share Certificate Related	1	1
5	Transfer of share related	1	1
	Total	**10**	**10**

Any Member/Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary & Compliance Officer with a copy of the earlier correspondence.

D. CSR and Sustainability Committee

As required under section 135 of the Companies Act, 2013, the Board has constituted CSR and Sustainability Committee of Directors to inter alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows: -

D.1 Terms of Reference:

The Committee is empowered to:-

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- Recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy;
- Oversee the Company's activities and contribution with regard to its corporate and societal obligations & its reputation as a responsible corporate citizen;
- Review the performance of the Company on environment, governance and sustainability initiatives & matters;
- Approve the policies on principles as required in terms of Business Responsibility & sustainability Reporting requirements and changes/modifications required from time to time in such policies; and
- To approve Company's report on Business Responsibility & Sustainability Reporting requirements.

D.2. Composition, meeting and attendance

During the year 2023-24, the CSR and Sustainability Committee met once on 22nd May, 2023. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Mr. Sanjiv Krishnaji Shelgikar – Chairman (Appointed as Chairman w.e.f. 22nd March, 2024)	Independent & Non-Executive Director	-
Mr. Nitin Dayalji Desai (Ceased w.e.f. close of Business Hours on 21st March, 2024)	Independent & Non-Executive Director	1
Mr. Prashant Bangur	Executive Director	1
Ms. Uma Ghurka	Independent & Non-Executive Director	1
Mr. Neeraj Akhoury	Executive Director	1

E. Risk Management Committee

In compliance with the provisions of Listing Regulations and Companies Act, 2013, Board has constituted a Risk Management Committee.

E.1. Terms of Reference

Risk Management Committee is empowered to:-

- Formulate a detailed risk management policy which shall include (a) framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, (b) measures for risk mitigation including systems and processes for internal control of identified risks (c) Business continuity plan;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems;
- Periodically review the Risk Management Policy, at least once in two years, including considering the changing industry dynamics and evolving complexities;
- Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- Coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
- Review the appointment, removal and terms of remuneration of Chief Risk Officer.

E.2. Composition, meeting and attendance

During the year 2023-24, the Risk Management Committee met on 26th July, 2023 and 7th November, 2023. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Mr. Sanjiv Krishnaji Shelgikar - Chairman	Independent & Non-Executive Director	2
Mr. Prashant Bangur	Executive Director	1
Mr. Neeraj Akhoury	Executive Director	2

SENIOR MANAGEMENT

Particulars of Senior Management as on 31st March, 2024, including the changes therein since the close of previous year as required under Regulation 34(3) read with Schedule V of the Listing Regulations are given below:-

Sr. No.	Name	Designation	Function
1.	Mr. Shailesh Ambastha	President	Sales
2.	Mr. Sanjay Mehta	President	Procurement & Corporate Affairs
3.	Mr. Behram Earuch Sherdiwala	CHRO	Human Resources*
4.	Mr. K.C. Gandhi	President	Fuel Procurement
5.	Mr. Arvind Khicha	Jt. President	Taxation & Insurance
6.	Mr. M.M. Rathi	Jt. President	Power Management
7.	Mr. Vijay Patil	Head of Strategies	Strategy & Performance Management
8.	Mr. MSR Kali Prasad	Chief Digital Officer	Information Technology
9.	Mr. Kamlesh Kumar Jain	Sr. Vice President	Finance & Accounts
10.	Mr. S.S. Khandelwal	Company Secretary	Secretarial, Internal Audit & Power Sale
11.	Mr. Subhash Jajoo	Chief Finance Officer	Finance
12.	Mr. Ashok Bhandari (Appointed w.e.f. 26th July, 2023)	Senior Advisor	Finance
13.	Mr. Anupam Agrawal (Appointed w.e.f. 26th July, 2023)	Head Projects	Projects
14.	Mr. Ramesh Joshi (Appointed w.e.f. 26th July, 2023)	Head - RMC	Ready Mix Concrete (RMC) Business
15.	Mr. Ashish Palod (Resigned on 7th November, 2023)	Chief Logistics Officer	Logistics
16.	Mr. Suresh Rathi (Appointed w.e.f. 7th November, 2023)	Chief Logistics Officer	Logistics
17.	Mr. Pramesh Arya (Resigned on 18th October, 2023)	Head Marketing	Marketing
18.	Mr. Sushrut Pant (Appointed w.e.f. 7th November, 2023)	Head Marketing	Marketing

* Since superannuated on 30th April, 2024.

SUBSIDIARY COMPANIES

The Audit Committee of the Board of Directors of the Company reviews the financial statements, in particular, the investments, if any, made by its unlisted subsidiary company. Statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, is placed before the Board for its review. Copies of Minutes of the Board Meeting(s) of the Subsidiary Companies are tabled at the Board Meeting of the Company. The policy for determining material subsidiaries as approved by the Board is posted on the website of the Company and can be accessed at https://www.shreecement.com/investors/disclosure-regulation

GENERAL BODY MEETINGS

The required information under Regulation 34(3) read with Schedule V of the Listing Regulations is given under the **"Shareholders' Information"** separately in the annexure to this Corporate Governance Report.

DISCLOSURES

- **Related Party Transactions:** There were no material related party transactions during the year 2023-24 that may have a potential conflict with the interest of the Company as provided under section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions have been approved by the Audit Committee.

  The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on the Company's website and can be accessed at https://www.shreecement.com/investors/disclosure-regulation
- **Detail of Material Subsidiaries:** During the year 2023-24, the Company does not have any material subsidiary.
- **Loan and advances by Company and its Subsidiaries in the nature of loans to firms/ Companies in which Directors are interested:** During the year 2023-24, No Loans and advances were given to firms / companies in which Directors are interested.
- **Non-compliance/strictures/ penalties imposed:** During the year 2023-24, No non-compliance/ strictures/penalties have been imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.
- **Risk Management:** Risk Evaluation and Management is an on-going process within the organisation. The Company has a well-defined Risk Management Framework in place. The Company periodically places before the Risk Management Committee, the key risks and the risk assessment and mitigation procedures followed by the Company.
- **Vigil Mechanism / Whistle Blower Policy:** The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and instances of leakage of unpublished price sensitive information. The policy provides for adequate safeguards against victimization of employees who utilizes the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no personnel has been denied access to the Audit Committee.
- **Certificate from Practicing Company Secretary:** A certificate from Mr. Akshit Kumar Jangid (Membership No. FCS 11285), Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of company, by the SEBI or Ministry of Corporate Affairs or any such statutory authority.
- **Total fee paid to Statutory Auditors:** Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is ₹97.70 Lac (includes Audit fees and certification/ other services). No fee was paid by Subsidiary Companies to Statutory Auditor and all other entities in the network firm/network entity of the Statutory Auditor for such services.
- **Confirmation by the Board of Directors regarding acceptance of Recommendation of Mandatory Committees:** During the year 2023-24, there were no such instances of non-acceptance by the Board of Directors of any recommendations made by the mandatory Committees.
- **Details of utilisation of funds raised through preferential allotment or qualified institutions placement:** During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations. However, during the year under review, the Company has issued Non-Convertible Debentures ('NCDs') on private placement basis on 25th September, 2023, which are listed on the debt market segment of BSE Limited and National Stock Exchange of India Limited. The funds are fully utilised and the Company affirms that there has been no deviation or variation in utilisation of proceeds of the listed NCDs of the Company.

- **Commodity price risk or foreign exchange risk and hedging activities:** Company's foreign exchange risk emanates from forex borrowings, import of fuel, capital equipment & spares and other raw materials. For all forex loans, Company has taken Cross Currency Swaps against foreign exchange risk. As regards import of fuel, capital equipment & spares and other raw materials, the Company decides about the hedging based on prevailing market conditions, period of exposure, amount involved etc. The Company does not have any exposure hedged through Commodity derivatives.
- **Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

Sl. No.	Particulars	No. of Complaints
1.	Number of complaints filed during the financial year 2023-24	NIL
2.	Number of complaints disposed of during the financial year 2023-24	NIL
3.	Number of complaints pending as at end of the financial year 2023-24	NIL

- **Disclosure of certain type of agreements binding listed entities:** There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.
- **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:** The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-
  - a. **Non-Executive Chairman's Office:** The Chairman of the Company is an Executive Director and hence this provision is not applicable.
  - b. **Shareholder's Rights:** As the quarterly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
  - c. **Modified opinion in Auditors' Report:** Company's financial statement for the year 2023-24 does not contain any modified audit opinion.
  - d. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** The Company is having separate posts of Chairman and Managing Director.
  - e. **Reporting of Internal Auditors:** The Internal Auditors of the Company submit reports to the Audit Committee and have direct access to it.
- **Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit & Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	Yes
26A	Vacancies in respect of certain Key Managerial Personnel	Yes
27	Other Corporate Governance requirements	Yes
46 (2) (b) to (i)	Website (Updation)	Yes

CEO / CFO CERTIFICATION

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company are required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2023-24 given by the Managing Director and the Chief Finance Officer is annexed to this Report. The Managing Director and the Chief Finance Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

CODE OF CONDUCT

The Board of Directors has laid down Code of Conduct for all the Board Members and Employees of the Company. The code of conduct is posted on the website of the Company. All the Board members and Senior Management personnel have confirmed compliance with the code for the year 2023-24. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

PREVENTION OF INSIDER TRADING

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading in securities of the Company by the Designated Persons and their immediate relatives. All the Designated Persons as defined in the Code are governed by this Code. The Company has appointed Mr. S.S. Khandelwal, Company Secretary as Compliance Officer who is responsible for setting forth procedures & implementation of the Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations and nominated Company Secretary, Mr. S. S. Khandelwal as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information. As required under Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended), Audit Committee of the Board of Directors of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

MEANS OF COMMUNICATIONS

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and specific communications. Details of communication mode are as under –

- The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified under the Listing Regulations.
- Thereafter, these are circulated among media/ news agencies/ analyst, etc. and are displayed on the Company's website https://www.shreecement.com These results are also published in leading newspapers normally with Financial Express, Economic Times, Mint, Business Line, Dainik Bhaskar, Dainik Navjyoti, Rajasthan Patrika within forty-eight hours of the Board meeting in which the same are approved.
- The Annual Report, inter-alia, containing Audited Standalone Financial Statements, Audited Consolidated Financial Statements, Board's Report including Management Discussion and Analysis, Auditors' Report and other important information is circulated to members and others entitled thereto.
- Presentation made to institutional investors or to the analysts are also submitted with respective stock exchanges where the Company's shares are listed and are also displayed on the Company's website www.shreecement.com.
- **SEBI Complaints Redress System (SCORES):** This is a centralised web-based complaint redressal system designed by SEBI for investors. Companies are required to upload online Action Taken Reports (ATRs) against the complaints filed by investors and simultaneously investors can view the actions taken on the complaint and its current status.
- **Website:** The Company's website www.shreecement.com contains a separate dedicated section 'Investors' wherein all information related to Members/Investors has been made available.

Annexure to Corporate Governance Report

SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING

Day & Date Of AGM	Time	Venue
Tuesday, 6th August, 2024	11:30 AM	'Rangmanch Auditorium', Bangur Nagar , Beawar – 305901, Rajasthan

Details of the Annual General Meeting held in the last three years are as under:

Year Ended	Day & Date Of Venue	Time	Venue
31st March, 2021	Monday, 9th August, 2021	3:00 PM	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office: Bangur Nagar, Beawar - 305901, Rajasthan]
31st March, 2022	Thursday, 28th July, 2022	12:15 PM	'Rangmanch Auditorium', Bangur Nagar, Beawar – 305901, Rajasthan
31st March, 2023	Wednesday, 26th July, 2023	11:00 AM	'Rangmanch Auditorium', Bangur Nagar, Beawar – 305901, Rajasthan

Special Resolution(s) passed in previous three AGMs:

Date of AGM	Special Resolution(s)
9th August, 2021	Reappointment of Mr. Hari Mohan Bangur (DIN: 00244329), as Managing Director of the Company for a period of five years commencing from 1st April, 2021.
28th July, 2022	a) Appointment of Mr. Zubair Ahmed as Independent Director of the Company for 5 (Five) years w.e.f. 21st May, 2022 b) Adoption of new set of Articles of Association of the Company c) Increase in Borrowing limits from ₹10,000 Crore to ₹20,000 Crore d) Creation of Charge/ hypothecation/ pledge/ mortgage/ security over movable and /or immovable properties of the Company, both present and future, in respect of the borrowings upto ₹20,000 Crore

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

During the year under review Company has obtained consent of members by way of Special Resolution through postal ballot notice dated 7th November, 2023 in accordance with section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014. Mr. Akshit Kumar Jangid (Membership No. F11285), Practicing Company Secretary, acted as the Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner. The details and the voting pattern of the Special Resolution passed through Postal Ballot Process are as follows:-

Sl. No	Description of resolution	Total No. of Valid votes	Votes Assenting the Resolution	% of Votes Cast in favour	Votes Dissenting the resolution	% of Votes Cast against
1	To approve alteration to the Articles of Association of the Company	3,05,91,466	3,05,85,571	99.98%	5895	0.02%

The aforesaid resolution was passed with requisite majority.

PROCEDURE FOR POSTAL BALLOT

Postal Ballot Notice ("Notice") containing the proposed resolution and Explanatory Statement pursuant to section 102 and other applicable provisions, if any, of the Act, are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. The Company also dispatches the Notices and Postal Ballot Form ("Form") alongwith postage prepaid envelope to its members whose email addresses are not registered, through permitted mode of dispatch. Further, the Company also provides the facility to the members to cast their vote electronically instead of dispatching the Form. The Forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer. The Scrutinizer submits his report to the Chairman and the results of the voting by Postal Ballot is declared/announced by the Chairman or any other person authorised by him. The results are also displayed on the Company's website (www.shreecement.com) besides being communicated to the stock exchanges.

None of the businesses is proposed to be transacted through Postal Ballot before the ensuing Annual General Meeting.

FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDAR

The Company follows period of 1st April to 31st March as its Financial Year. Tentative financial calendar for the Financial Year 2024-25 is as under:-

Un-audited Financial Results:	
First Quarter ending on 30th June, 2024	Within 45 days from the end of quarter
Second Quarter/half year ending on 30th September, 2024	Within 45 days from the end of quarter
Third Quarter ending on 31st December, 2024	Within 45 days from the end of quarter
Audited Financial Results:	
Year ending on 31st March, 2025	Within 60 days from the end of the financial year

DIVIDEND PAYMENT DATE

Particular	Payment Date
Final Dividend for the Year 2023-24	on or after 7th August, 2024, if declared

CREDIT RATINGS

Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2023-24 are as follows:-

Facilities	Amount (₹ Crore)	Rating	Rating Action
Long Term Bank Facilities / Fund Based Limit	2,050.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Bank Facilities / Fund Based Limit	1,100.00	CRISIL AAA/Stable	Reaffirmed
Short Term Bank Facilities / Non-Fund Based Limit	1,200.00	CARE A1+ (A One Plus) / CRISIL A1+	Reaffirmed
Commercial Paper	500.00	CARE A1+ (A One Plus) / CRISIL A1+	Reaffirmed
Non-Convertible Debentures	700.00	CARE AAA; Stable (Triple A; Outlook: Stable) / CRISIL AAA/Stable	Reaffirmed
Issuer rating	-	CARE AAA; Stable	Reaffirmed

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company is as under:-

"Your company has uninterrupted and increasing dividend payout track record since 2000-01. The management is confident of maintaining the same. The yearly outgo of dividend is dependent on the prevalent macroeconomic conditions as well as the industry specific scenario. It also depends on the capital expenditure program under implementation. The retained earnings as in past, shall always be used for the expansion of business."

LISTING ON STOCK EXCHANGES

(a) Equity Shares:

Name of Stock Exchange	Stock Code
BSE Limited	500387
National Stock Exchange of India Limited	SHREECEM EQ

Name of the Depositories (for Demat only)	ISIN
National Securities Depository Limited	INE070A01015
Central Depository Services (India) Limited	INE070A01015

(b) Non-Convertible Debentures

The Non-Convertible Debentures ("NCDs") issued by the Company are listed on BSE and National Stock Exchange of India Limited. The details are as under:

Type	Coupon Rate	Year of Issue	ISIN	Principal Amount (₹ in Crores)	Maturity date	Debenture Trustee
Secured	7.80%	2023	INE070A07061	700.00	26-10-2030	Axis Trustee Services Limited

The Company has paid listing fees to all the Stock Exchanges where its securities are listed for the financial year 2023-24 & 2024-25.

No securities of the Company are suspended from trading.

Corporate Identification Number (CIN): L26943RJ1979PLC001935

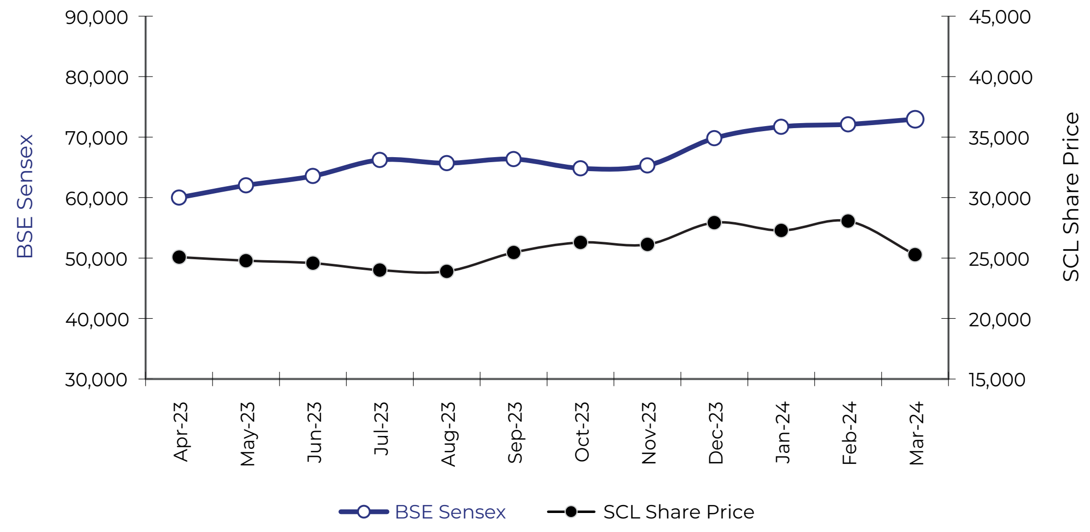
MARKET PRICE DATA

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr-23	26,623.90	23,543.70	13,757	26,599.90	23,550.00	5,13,893
May-23	25,853.00	23,727.60	21,967	25,885.00	23,705.75	8,90,965
Jun-23	26,569.70	22,601.30	28,629	26,580.00	22,605.60	13,09,788
Jul-23	25,000.00	23,023.05	18,687	24,559.80	23,026.00	8,61,354
Aug-23	24,379.30	23,431.90	9,941	24,400.00	23,451.00	5,72,070
Sep-23	27,100.00	23,829.00	18,253	27,117.95	23,820.00	7,89,291
Oct-23	27,284.85	25,315.95	8,397	27,298.95	25,309.00	4,55,044
Nov-23	26,949.85	25,310.65	18,350	26,950.00	25,326.15	4,47,669
Dec-23	29,249.10	26,625.30	10,226	29,250.00	26,625.00	3,70,087
Jan-24	28,899.95	25,674.00	45,883	28,850.00	25,650.00	6,69,210
Feb-24	30,710.15	25,411.70	18,300	30,737.75	25,421.50	7,92,966
Mar-24	26,307.80	24,251.10	13,680	26,334.05	24,243.60	6,16,121
TOTAL			2,26,070			82,88,458

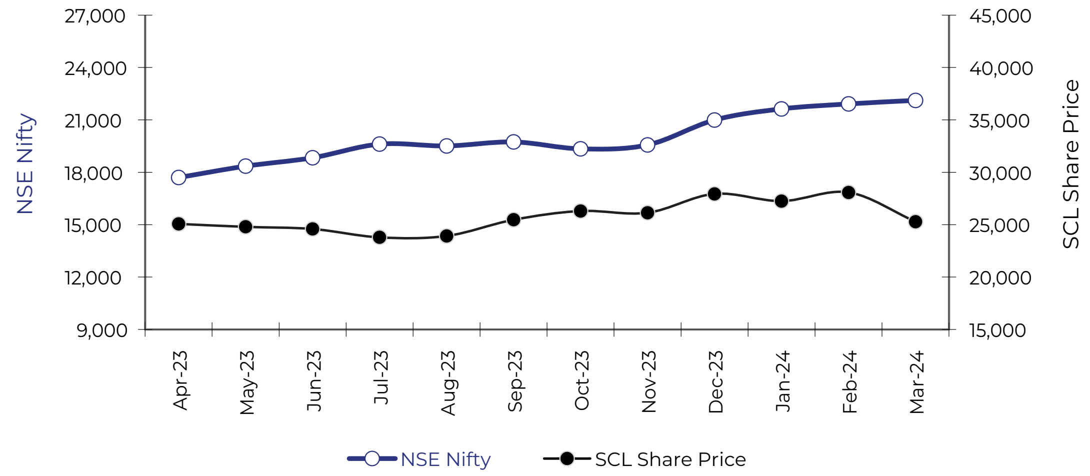
PERFORMANCE OF COMPANY'S SHARE PRICE IN COMPARISON TO BROAD-BASED INDICES

Indices	BSE (Sensex)	SCL Share Price at BSE (₹)	NSE (Nifty)	SCL Share Price at NSE (₹)
1st April, 2023 (Open)	59,131.16	26,201.05	17,427.95	26,299.95
31st March, 2024 (Close)	73,651.35	25,703.75	22,326.90	25,682.85
Increase/(Decrease)	14,520.19	(497.30)	4,898.95	(617.10)
% Increase/(Decrease)	24.56%	(1.90%)	28.11%	(2.35%)

Movement of Shree Cement's Share price vis-à-vis Sensex in FY 2023-24 (Average of monthly high-low)



Movement of Shree Cement's Share price vis-à-vis Nifty in FY 2023-24 (Average of monthly high-low)



SHARE TRANSFER SYSTEM

Transfer of shares in dematerialised form is done through the Depository Participant (DP) without any involvement of the Company/Registrar & Share Transfer Agent. As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, Member may please note that as an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed Companies to issue securities in demat form only while processing service requests for issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Listed Companies shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimants within prescribed timelines and after removing objections, if any. This 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the shares. Necessary forms for processing service requests are available on the website of the Company i.e. https://www.shreecement.com/investors/shareholder-information. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Shareholders may communicate with Link Intime India Private

Limited, the Company's Registrars & Share Transfer Agent at rnt.helpdesk@linkintime.co.in quoting their folio number or Depository Participant ID and Client ID number for any queries relating to their securities.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

UPDATION OF PAN, KYC AND NOMINATION DETAILS

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16th March, 2023 and No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated 26th September, 2023 has provided common and simplified norms for processing investor's service request by RTAs and mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities. The said circulars mandated that the folios of physical shareholders shall be frozen in case where the PAN, KYC details and Nomination are not updated by December 31, 2023. However, vide SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November, 2023 the provision regarding "Freezing" of folio was done away with by SEBI. However, Registrar and Listed Companies would first update the PAN, KYC and Nomination details in physical folios prior to accepting any service requests from Physical Shareholders. The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details.

The prescribed formats i.e. Form ISR-1, ISR-2, ISR-3, ISR-4, ISR-5 and Form SH-13 are available in downloadable and fillable format on the website of the Company at https://www.shreecement.com/investors/shareholder-information and on the RTA at https://liiplweb.linkintime.co.in/KYC-downloads.html. Members are advised to register their details with the RTA, in compliance with the said Circular for smooth processing of their service requests. Investors holding share in electronic form should contact their concerned Depository Participant (DP) directly for nomination and registration of change in KYC details.

CORRESPONDENCE REGARDING CHANGE OF ADDRESS, BANK MANDATE, ETC.

Shareholders holding shares in physical mode are requested to ensure that all events of change of registered address, change in registered bank particulars, etc., are intimated to Company or Share Transfer Agent promptly by furnishing details in prescribed formats ISR-1 and/or ISR-2. Such requests duly signed by all holders, where there are more than one, along with supporting documents as prescribed in formats should be promptly sent for updating Company's records. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account(s) to update and reflect any change in depository records.

UNCLAIMED DIVIDENDS AND TRANSFER TO IEPF

In accordance with the provisions of section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'), dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. As per practice, Company sends reminders to shareholders whose dividend amount is unpaid before transferring the same to IEPF. The Company has transferred the amount of unclaimed and unpaid Dividends upto the One-Time Special Dividend for financial year 2016-17 within the prescribed due dates. For the dates of transfer of unpaid dividend amount to IEPF, please refer the relevant section of Notice of the 45th Annual General Meeting of the Company. Shareholders are requested to approach the Company, if they have not received their dividend of relevant year. In compliance with the IEPF rules, the Company has uploaded the information in respect of dividend amounts remaining unpaid and unclaimed of the Company with the Ministry of Corporate Affairs. The same information has been uploaded on Company's website https://www.shreecement.com/investors/shareholder-information as prescribed in the above referred rules. Shareholders can visit website of MCA/ Company for checking the status of dividend amounts remaining unpaid/ unclaimed dividend in respect of their holding in the Company. Members whose unpaid dividends were transferred to IEPF, can claim the amounts by following prescribed procedures/ guidelines which are available at website of the Company at https://www.shreecement.com/investors/shareholder-information and website of the IEPF authority at http://www.iepf.gov.in/IEPF/refund.html.

TRANSFER OF UNDERLYING SHARES INTO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of section 124(6) of the Companies Act, 2013 read with IEPF rules, the Company is required to transfer shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Details of the said shares are available on the website of the Company and can be accessed through the link: https://www.shreecement.com/investors/shareholder-information. The said details have also been submitted with the Ministry of Corporate Affairs and same can be accessed through the link: https://www.iepf.gov.in/IEPFWebProject/services.html. Such shares can be claimed from IEPF authority by filing Web - form IEPF-5 in the prescribed manner.

PAYMENT OF DIVIDEND

Company encourages shareholders to avail facility of direct credit of dividend to their respective bank accounts for speedy remittance. Shareholders are therefore urged to update their bank account details, if not done earlier, with the Company or the DP, as the case may be. Shareholders may also note that the Income Tax Act, 1961 amended by the Finance Act, 2020, mandates that dividend paid or distributed by companies on or after 1st April, 2020 will be taxable in the hands of shareholders. The Company will accordingly deduct tax at source ("TDS"), wherever applicable, at the applicable rates at the time of making the payment of dividend.

DISCLOSURE RELATING TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Regulation 39(4) of the Listing Regulations read with Schedule VI provides for the manner of dealing with unclaimed shares. As per the provisions, the Company is required to dematerialise such shares which have been returned as undelivered by postal authorities and hold the same in Unclaimed Suspense Account with a Depository. Disclosure pursuant to the unclaimed shares as on 31st March, 2024 is given below: -

Particulars	Aggregate number of Shareholders	Outstanding shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. 1st April, 2023	NIL	NIL
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	NIL	NIL
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the end of the year i.e. 31st March, 2024	NIL	NIL

The voting rights on these shares shall remain frozen till the rightful owners claim the shares.

RECONCILIATION OF SHARE CAPITAL AUDIT

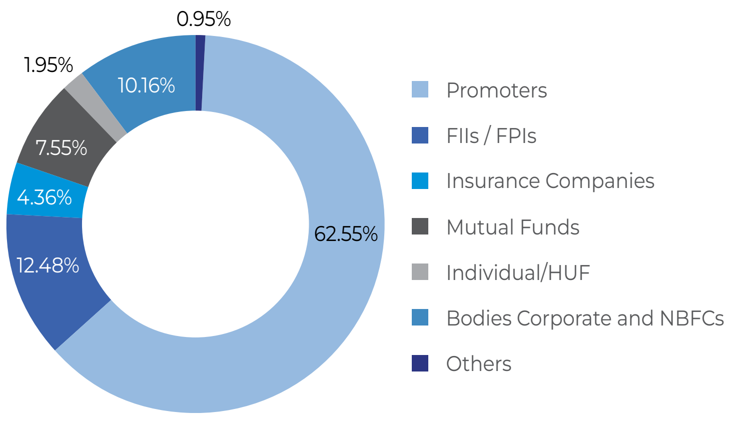
As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, depositories and is also placed before the Board of Directors in their meetings.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024

Sl. No.	Slab Of Shares	No. of Holders	% to Holders	No. of Shares	% to Total No of Shares
1.	1 – 50	25,799	88.87	1,80,199	0.50
2.	51 -100	1,304	4.49	1,13,343	0.31
3.	101 - 200	660	2.27	1,05,097	0.29
4.	201 – 500	546	1.88	1,90,223	0.53
5.	501 - 1000	248	0.85	1,84,995	0.51
6.	1001 – 5000	259	0.89	5,94,008	1.65
7.	5001 -10000	81	0.28	5,63,377	1.56
8.	10001 and above	135	0.47	3,41,49,506	94.65
	TOTAL	**29,032**	**100.00**	**3,60,80,748**	**100.00**

SHAREHOLDING PATTERN

Description	No. of Shares held 31.03.2024	% of holding
Promoters	2,25,69,197	62.55%
FIIs / FPIs	45,01,093	12.48%
Bodies Corporate and NBFCs	36,66,240	10.16%
Mutual Funds	27,24,907	7.55%
Insurance Companies	15,74,659	4.36%
Residence Individual/HUF	7,04,132	1.95%
Others	3,40,520	0.95%
TOTAL	**3,60,80,748**	**100.00%**



DEMATERIALISATION OF SHARES & LIQUIDITY

The trading in the Company's Equity Shares has been permitted in Demat form w.e.f. 29th November, 1999. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. In view of the advantage offered by the Depository System, Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. 99.80% of total equity share capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2024 (As on 31st March, 2023: 90.05%). The shares are actively traded at BSE and NSE and have adequate liquidity.

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on 31st March, 2024.

PLANTS LOCATION

RAJASTHAN		
1.	**Beawar**	Bangur Nagar, Beawar, Rajasthan - 305 901
2.	**Ras**	Bangur City, Ras, Rajasthan - 306 101
3.	**Khushkhera**	Plot No. SP3-II / A-1, RIICO Industrial Area, Khushkhera, Tehsil: Bhiwadi, Distt.: Alwar, Rajasthan - 301 707
4.	**Suratgarh**	Near N.H.-15, Udaipur - Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan - 335 804
5.	**Jobner (Jaipur)**	Mahela - Jobner Road, Village: Aslapur, Tehsil: Phulera, Distt.: Jaipur, Rajasthan - 303 331
6.	**Nawalgarh**	Village Gothra, Nawalgarh Tehsil, Rajasthan - 333 304
CHHATTISGARH		
7.	**Baloda Bazar**	Village Khapradih, Tehsil- Simga, Distt.: Balodabazar, Chhattisgarh - 493 332
KARNATAKA		
8.	**Kodla**	Village Kodla & Benkanhalli, Taluk: Sedam Distt.: Kalaburagi, Karnataka – 585 222
UTTARAKHAND		
9.	**Laksar (Roorkee)**	Akbarpur - Oud, Tehsil: Laksar, Distt.: Haridwar, Uttarakhand - 247 663
HARYANA		
10.	**Panipat**	Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt: Panipat (Haryana)
UTTAR PRADESH		
11.	**Bulandshahr**	12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh - 203 205
BIHAR		
12.	**Aurangabad**	Industrial Growth Centre Biada, Near Jasoia More, Post: Mojurahi, Distt.: Aurangabad, Bihar - 824 102
JHARKHAND		
13.	**Saraikela**	PO-Burudh, Hansda, District : Seraikela - Kharsawan, Jharkhand – 833 210
ODISHA		
14.	**Cuttack**	Village - Chandrabalishyampur, Block - Athagarh, District : Cuttack, Odisha – 754 029
MAHARASHTRA		
15.	**Patas**	Village Patas, Pune, Maharashtra - 412 219
ANDHRA PRADESH		
16.	**Guntur**	Village Dachepalli, Tehsil Pedagarlapadu, District: Guntur, Andhra Pradesh - 522 414
WEST BENGAL		
17.	**Purulia***	Village Digha & Parbatpur, District : Purulia, West Bengal - 723 121

*** Shree Cement East Private Limited (WOS)**

REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE

Registered Office
Shree Cement Limited,
Bangur Nagar, Beawar - 305 901, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Toll Free No.: 1800 180 6003 / 6004
Email: shreebwr@shreecement.com

Address for Correspondence
Shree Cement Limited,
9th & 17th Floor, Epitome Tower - B, Building No. 5,
DLF Cyber City, Gurugram,
Haryana - 122 008
Phone: +91-124-4699200

CLARIFICATIONS ON FINANCIAL STATEMENTS

Mr. Subhash Jajoo, Chief Finance Officer
Phone:+91-33-22390601-05
Fax:+91-33-22434226
E-mail: subhash.jajoo@shreecement.com

SHAREHOLDERS' QUERIES

Mr. S.S. Khandelwal - Company Secretary
Phone: +91-1462-228101 to 06
Fax: +91-1462-228117/19
Toll Free: 1800 180 6003 / 6004
Exclusive e-mail ID for shareholders queries:
investor@shreecement.com

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
Unit: SHREE CEMENT LIMITED
C101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai, 400 083
Tel: 022 – 4918 6270
Fax: 022 – 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: https://www.linkintime.co.in
Contact Person: Ms. Saili Lad, Senior Associate

Declaration on Code of Conduct

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended on 31st March, 2024.

For **SHREE CEMENT LIMITED**

Date: 14th May, 2024
Place: Gurugram

Neeraj Akhoury
Managing Director
DIN:07419090

Compliance Certificate from CEO/CFO

To,
The Board of Directors,
Shree Cement Limited

Certificate Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. This is to certify that:-

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

   1) significant changes in internal control over financial reporting during the year;

   2) significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 14th May, 2024
Place: Gurugram

Subhash Jajoo
Chief Finance Officer

Neeraj Akhoury
Managing Director
DIN :07419090

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,
Shree Cement Limited
Bangur Nagar, Beawar
Rajasthan-305 901

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shree Cement Limited having CIN L26943RJ1979PLC001935 and having registered office at Bangur Nagar, Beawar-305 901, Rajasthan (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, representations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Director	DIN	Date of appointment in the Company
1	Hari Mohan Bangur	00244329	31/07/1992
2	Prashant Bangur	00403621	23/08/2012
3	Shreekant Somany	00021423	20/10/2000
4	Sanjiv Krishnaji Shelgikar	00094311	05/08/2015
5	Uma Ghurka	00351117	11/11/2019
6	Zubair Ahmed	00182990	21/05/2022
7	Neeraj Akhoury	07419090	14/10/2022

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 **Pinchaa & Co.**
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Date: 14th May, 2024
Place: Jaipur

UDIN: F011285F000362867

Akshit Kr. Jangid
Partner
M.No. FCS 11285
C. P. No. 16300

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L26943RJ1979PLC001935
2.	Name of the Listed Entity	Shree Cement Limited
3.	Year of incorporation	1979
4.	Registered office address	Bangur Nagar, Beawar - 305 901, Rajasthan
5.	Corporate address	**Kolkata:** 21, Strand Road, Kolkata – 700 001, West Bengal **Gurugram:** 9th & 17th Floor, DLF Epitome Tower, Building No. 5, Cyber City, Gurugram
6.	E-mail	investor@shreecement.com
7.	Telephone	+91-124-4699200
8.	Website	www.shreecement.com
9.	Financial year for which reporting is being done	1st April, 2023 to 31st March, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	INR 36.08 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. S.S. Khandelwal (Company Secretary) Tel: +91-124-4699200 Email: shyam.khandelwal@shreecement.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report made on a standalone basis
14.	Name of assurance provider	SGS India Private Limited
15.	Type of assurance obtained	Reasonable Assurance for BRSR Core and Limited Assurance for Other Non-Financial Data

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 Turnover of the entity
1	Manufacturing	Manufacturing and Sale of Cement and Clinker	91.77%

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	Cement and Clinker	2394	91.77%

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	5 Integrated Plant Locations*; 10 Grinding Unit Locations;	1 Registered Office; 2 Corporate Offices; 4 Zonal Marketing Offices	22
International	NIL	NIL	NIL

* Integrated unit at Guntur, Andhra Pradesh began operations in April, 2024 taking the number of integrated plant locations in India to 6.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	18 States and 4 Union Territories
International (No. of Countries)	-

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

Shree Cement caters to varied set of customers ranging from institutional buyers to retail buyers, providing cement to mega structures to small housing unit.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

b. Differently abled Employees and workers:

The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 68.

21. Participation/Inclusion/Representation of women

The response to these questions have been covered in the corporate governance section of the Integrated annual report FY 2023-24, page no. 111.

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

The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 69.

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

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

S. No.	Name of the holding / subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Shree Global FZE	Subsidiary	100%	NO
2	Raipur Handling and Infrastructure Private Limited	Subsidiary	100%	
3	Shree Enterprises Management Ltd.	Subsidiary	100% (Beneficially Owned)	
4	Shree International Holding Ltd.	Subsidiary	100%	
5	Union Cement Company, PrJSC	Subsidiary	98.35%	
6	UCN Co Ltd. L.L.C.	Subsidiary	98.35% (effective group holding)	
7	Shree Cement East Bengal Foundation	Subsidiary (Incorporated under Section 8 of the Companies Act, 2013)	52.00%	
8	Shree Cement North Private Limited	Subsidiary	100%	
9	Shree Cement East Private Limited	Subsidiary	100%	
10	Shree Cement South Private Limited	Subsidiary	100%	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in Rs.) – 19,585.53 Crore

(iii) Net worth (in Rs.) – 20,384.49 Crore

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. Please refer to Stakeholder Engagement Policy at web-link https://www.shreecement.com/investors/policies	6	Nil	Nil	21	Nil	Nil
Investors (other than shareholders)		Nil	Nil	Nil	Nil	Nil	Nil
Shareholders		10	Nil	Nil	10	Nil	Nil
Employees and workers		3	Nil	Nil	7	Nil	Nil
Customers		611	Nil	Nil	671	Nil	Nil
Value Chain Partners		3	Nil	Nil	15	Nil	Nil
Other (please specify)		Nil	Nil	Nil	Nil	Nil	Nil

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

The response to these questions have been covered in the Materiality Assessment section of the Integrated annual report FY 2023-24, page no. 32-37.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.shreecement.com/investors/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	BIS, Greenpro Certification – CII, ISO-45001, ILO, ISO 14001, PAT, VCS, ISO 50001								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensuring commitment to ethical business practices	Zero deviation from BIS standards	Zero harm at workplace for employees and workers	Commitment to addressing concerns and grievances of stakeholders	Zero non-compliance	Scope 1 Carbon intensity = 0.51 Tonnes CO2 / tonne cementitious material Scope 2 Carbon intensity = 0.005 tCO2/Tonnes cementitious material by 2030	Active participation in public policy matters through memberships	Ensure need basis community development programmes at each operational location	Timely resolution of customer complaints
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	No instances of non-compliances against regulatory requirements	Zero cases of deviation from BIS standards	Fatalities: Zero for employees and permanent workers and 1 for Contract workers	Concerns from stakeholders addressed on a timely manner	No instances of human rights violations at our operations	Scope 1 Carbon intensity = 0.54 Tonnes CO2 / tonne cementitious material Scope 2 Carbon intensity = 0.010 tCO2/Tonnes cementitious material.	Participation through forums such as FICCI, CMA, NCCBM, RE100 and World Economic Forum.	Community development programmes implemented across all operational locations with spent of INR 51.34 Cr. During FY 2023-24 benefitting 6.7 lacs no. of beneficiaries	100% of customer complaints resolved in a timely manner

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)	Dear stakeholders, At Shree Cement, we believe that ambition and innovation, bolstered by design thinking and collaborative efforts, are crucial to efficient business growth. This year, our motto is to 'Build Smart', a philosophy that will help build stronger, more durable, and environmentally responsible infrastructure. This philosophy combines the core elements of efficient manufacturing, data-driven decision-making, emerging technology, best-in-class people and processes, customer-centricity and sustainable business practices. Weaving the ideology of 'Build Smart' into the fabric of our revamped brand identity 'Bangur Cement', we have embarked on a journey of redefining excellence while continuing to deliver protection, strength and durability. We keep ourselves up to date on the latest industry trends, cross-sectoral developments, and emerging technologies to ensure we retain our position as an industry torchbearer. In March 2024, for instance, we entered the ready-mix concrete (RMC) segment with the commissioning of our first greenfield unit in Hyderabad. The new RMC plant is key to our evolution as a multi-product player in the cement industry. We have been consistent in our capacity expansion (primarily via organic pathways), with a capacity CAGR of about 12% over FY2014-24. Given our outlook for cement demand remaining high, we plan to increase our grinding capacity organically at a similar CAGR over FY24-27. Most of the expansions, however, will focus on existing markets, even though we have made progress in expanding our footprint to new regions such as Andhra Pradesh. By 2028, we are targeting more than 80 MTPA capacity by which time, 13 more our plants will be in operation. Over the past year, we have ramped up our capacity utilization, raised cost efficiency, enhanced our R&D efforts, and also built on brand equity. Thus, we are ensuring that we take complete advantage of the market tailwinds to tap into previously uncharted territory and thereby create new opportunities also within the market. After all, collaboration and community are the hallmark of growth and progress – and in this vein, we hope to be able to create greater employment opportunities for people across India and contribute to the nation's growth story. Looking forward to continued success through collective growth!
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Neeraj Akhoury DIN: 07419090 Designation: Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes CSR and Sustainability Committee The Board of the company has constituted a CSR and Sustainability Committee to oversee the sustainability related aspects of the business. The Committee oversees and ensures that the company's strategies, activities, risks, and policies are aligned with the evolving global and national context, including Environmental, Social, and Governance (ESG) Key Performance Indicators (KPIs) and other material issues. The committee guides the concerned teams to effectively and transparently implement the ESG initiatives that are aligned with the company's vision and values.

10. Details of Review of NGRBCs 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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the board									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	Committee of the board									Annually								

11.	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, Secretarial auditor	Yes BSI	Yes BSI	Yes, Secretarial Auditor	Yes Factory Inspector	Yes BSI	Yes Secretarial Auditor	Yes Secretarial auditor	Yes BSI

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 (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1:

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Updates on Sustainability initiatives. Revisions and updates in: o Whistle blower mechanism and Whistle Blower Policy o Code of Conduct	100%
Key Managerial Personnel	1		100%
Employees other than BoD and KMPs	612	Green Energy, Preventive Maintenance, SAP, Darwinbox, Human Rights	72%
Workers	13	Health & Safety, Gear Box Maintenance, Preventive Maintenance, Human Rights	76%

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

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

Non-Monetary				
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			Nil	
Punishment				

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil

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.**

   The Company has adopted a Board approved Anti-Bribery and Anti-Corruption Policy. The Policy entails our approach to combat situations of bribery and corruption and outlines our position on the same. The Policy also mentions the hazards and risks that can arise from such situations. We comply with all the applicable anti-bribery and anti-corruption laws, including Prevention of Corruption (Amendment) Act, 2018.

   Weblink: https://www.shreecement.com/investors/policies

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

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 113.

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

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 113.

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.**

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 113-114.

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

	FY 2023-24 (current financial year)	FY 2022-23 (previous financial year)
No. of days of account payable	26	30

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 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	58.76%	51.18%
	b. Number of trading houses where purchases are made from	106	60
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	75.45%	71.48%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	78.61%	82.56%
	b. Number of dealers / distributors to whom sales are made	21,053	21,660
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	3.14%	3.12%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.71%	0.06%
	b. Sales (Sales to related parties / Total Sales)	2.51%	0.40%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	15.61%	5.85%
	d. Investments (Investments in related parties / Total Investments made)	2.27%	4.50%

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Awareness programs were not conducted for value chain partners on NGRBC principles in the reporting year. However, the company is planning to initiate and execute the same in upcoming years.		

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

   Yes, the response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 112-113.

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.**

   The response to these questions have been covered in the intellectual Capital Section of the Integrated annual report FY 2023-24, page no. 92.

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

   Yes

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

   11.65%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 82, 84.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 82.

Leadership Indicators

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 86.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 86.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 84.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 82.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 82.

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:**

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 71.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 71.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 72.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 71-72.

3. **Accessibility of workplaces**

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

   Yes, All our corporate and plant offices are accessible to differently abled employees and workers.

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.**

   Web link: https://www.shreecement.com/investors/policies

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 71.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 73.

8. **Details of training given to employees and workers:**

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 71.

9. **Details of performance and career development reviews of employees and worker:**

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 73.

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?**

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 75.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

14. **Assessments for the year:**

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

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

    The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 74.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of**

   (A) Employees (Y/N) : Yes

   (B) Workers (Y/N) : Yes

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

   Yes, the concerned departments of the company ensure that the value chain partners deduct and deposit statutory dues on time and is supported by documented evidence.

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

   The response to these questions have been covered in the Human Capital Section of the Integrated annual report FY 2023-24, page no. 75.

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   No, currently we do not provide any transition assistance programmes.

5. **Details on assessment of value chain partners:**

   The response to these questions have been covered in the Social Relationship Capital Section of the Integrated annual report FY 2023-24, page no. 107.

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

   The response to these questions have been covered in the Social Relationship Capital Section of the Integrated annual report FY 2023-24, page no. 107.

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 response to these questions have been covered in the Stakeholder Engagement and Materiality Assessment Section of the Integrated annual report FY 2023-24, page no. 29-30.

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

   The response to these questions have been covered in the Stakeholder Engagement and Materiality Assessment Section of the Integrated annual report FY 2023-24, page no. 30-31.

Leadership Indicators

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

   The response to these questions have been covered in the Stakeholder Engagement and Materiality Assessment Section of the Integrated annual report FY 2023-24, page no. 30.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   The response to these questions have been covered in the Stakeholder Engagement and Materiality Assessment Section of the Integrated annual report FY 2023-24, page no. 30-31.

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

   The response to these questions have been covered in the Stakeholder Engagement and Materiality Assessment Section of the Integrated annual report FY 2023-24, page no. 30-31.

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:**

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 72.

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

   a. **Median remuneration/wages:**

      The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 72.

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

      The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 72.

4. **Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes, all of our operations are strictly monitored for human rights impact as per our internal risk procedures. The human rights issues and impacts are overseen by the chief Human Resources officers.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 74.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 74.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

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

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

10. **Assessments for the year:**

    The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

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

    The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 73.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   The response to these questions have been covered in the human capital section of the Integrated annual report FY 2023-24, page no. 68.

4. **Details on assessment of value chain partners:**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

5. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

PRINCIPLE 6:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 79-80.

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

   Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

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 response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 81.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 87.

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

   Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

4. **Provide the following details related to water discharged:**

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 86.

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

   Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 86.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 83.

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

   Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 83.

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

   Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 80-83.

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

   The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 85.

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

   Yes M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

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 response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 85.

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

    The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 88.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Sl. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link	Remarks (Details of various stages)
1.	**Shree Cement Limited (Unit: Bangur Cement Unit)** Integrated Cement Plant (Clinker - 4.5 Million TPA; Cement - 4.0 Million TPA (OPC, PPC, PSC, RHPC, SRC & Composite Cement); WHRS - 37.5 MW and D.G. Sets - 2500 KVA (2 x 1000 KVA & 1 x 500 KVA) or (1 x 1000 KVA, 2 x 500 KVA & 2 x 250 KVA) at Villages- Bhivgarh, Jawangarh and Ras - II, Tehsil- Jaitaran, District - Pali (Rajasthan)	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=2267316	• PH Conducted on 08.08.2022 • EC Application & Final EIA/EMP Report submitted to MoEF&CC on 30.12.2022 • EC Meeting held on 28.02.2023 • Minutes of Meeting released on 08.03.2023 and Project is recommended for EC • **EC issued by MoEF&CC on 06.04.2023**
2.	**Nawalgarh Residential Colony** of Plot Area: 14.366 ha (143663.00 Sq. m.) & Built up Area: 65106.71 sq. m. in Village: Gothra, Tehsil: Nawalgarh, District: Jhunjhunu, Rajasthan	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **M/s Gaurang Environmental Solutions Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://environmentclearance.nic.in/TrackState_proposal.aspx?type=EC&status=EC_new&statename=Rajasthan&pno=SIA/RJ/INFRA2/403579/2022&pid=211849	• EC application submitted to SEIAA on 23.10.2022. • EC Meeting held on 22.02.2023. • **EC issued by SEIAA, Rajasthan on 10.04.2023**
3.	**Kodla Limestone Mine (ML Area- 517.61 ha, M L No. 2673 & 2674)** for Expansion in Limestone Production Capacity from 3.8 to 12.5 Million TPA and Top Soil 0.1455 Million TPA, Over burden 1.1257 Million TPA (Total Excavation: 13.7712 Million TPA) along with One existing crusher of 1200 TPH Capacity and installation of One additional proposed crusher of 1200 TPH Capacity along with Wobbler at Villages: Kodla & Benakanahalli, Taluka: Sedam, District: Kalaburagi, Karnataka of Shree Cement Limited	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=2736624	• Earlier stages including submission of Draft EIA/EMP report in FY_2021-22 • Delay due to receipt of signed mom of PH • Thereafter, EC Application and Final EIA/EMP Report submitted to MoEF&CC on 03.03.2023 • EC Meeting held on 21.03.2023 • Minutes of Meeting released on 28.03.2023 and Project recommended for EC • **EC issued by MoEF&CC on 25.04.2023**
4.	**Shree Agra Cement Plant (Clinker Grinding Unit) for** with cement production capacity of 5.0 Million TPA (OPC, PPC, PSC, RHPC, SRC & Composite Cement) and D.G. Sets of 1250 KVA (1000 KVA or 2 x 500 KVA & 250 KVA) along with Railway Siding Village: Nigoh Hasanpur, Block: Sakit, Tehsil & District: Etah (Uttar Pradesh) at Village: Nigoh Hasanpur, Block: Sakit, Tehsil & District: Etah (Uttar Pradesh) of Shree Cement North Pvt. Ltd.	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://environmentclearance.nic.in/TrackState_proposal.aspx?type=EC&status=EC_new&statename=Uttar%20Pradesh&pno=SIA/UP/IND1/425085/2023&pid=218659	• EC application submitted to SEIAA, UP on 11.04.2023 • EC Meeting held on 18.05.2023 • **EC issued by SEIAA, UP on 01.07.2023**

Sl. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link	Remarks (Details of various stages)
5.	**Shree Cement Limited (Unit: Karnataka Cement Project)** for Expansion of Integrated Cement Plant - Clinker (2.4 to 8.0 Million TPA), Cement (4.0 to 9.0 Million TPA), Waste Heat Recovery Power Generation (30 to 70 MW), D.G. Sets (2000 to 3000 KVA) along with installation of Captive Power Plant (2 x 25 MW), Synthetic Gypsum Plant (1560 TPD) & Railway Siding at Village: Benkanhalli, Taluka: Sedam, District: Kalaburagi (Karnataka)	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=4611687	• EC Application and Final EIA/EMP Report submitted to MoEF&CC on 14.04.2023 • EC Meeting held on 31.05.2023 • **EC issued by MoEF&CC on 27.09.2023**
6.	Expansion in Existing Environmental Clearance granted capacity of Integrated Cement Plant - Clinker: 2.0 to 4.5 Million TPA, Cement: 4.0 to 6.0 Million TPA, Waste Heat Recovery Power Generation: 20 to 40 MW and installation of Captive Power Plant: 25 MW, DG Sets of 2000 KVA (1000/500/250/125 KVA) along with Railway Siding at Village: Gothra, Tehsil: **Nawalgarh,** District: Jhunjhunu (Rajasthan) by **Shree Cement Limited**	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by JM EnviroNet Pvt. Ltd. (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=1422847	• ToR Application submitted to MoEF&CC on 11.05.2022 • ToR Letter issued on 08.06.2022 • PH conducted on 21.10.2022 • EC Application and Final EIA/EMP Report submitted to MoEF&CC on 19.11.2022 • EC Meeting held om 28.02.2023 • Minutes of Meeting released on 08.03.2023 and Project recommended for EC • **EC issued by MoEF&CC on 13.10.2023**
7.	Integrated Cement Plant- Clinker (4.0 Million TPA), Cement {6.66 (2 x 3.33) Million TPA}, CPP (2 x 25 MW), WHRS (38 MW), Synthetic Gypsum Plant (1560 TPD), DG Sets - 2000 KVA {(1 x 1000 KVA), (1 x 500 KVA) & (2 x 250 KVA)} and Railway siding at Villages: Tilgul & Kirangi, Taluka & District: Kalaburagi (Karnataka) by **Farhatabad Integrated Cement Project (A Unit of Shree Cement Ltd.)**	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://kspcb.karnataka.gov.in/node/406	• PH held on 14.07.2023 and PH MOM & Proceeding received on 07.09.2023. • Final EIA submission to MoEF&CC is under process.
8.	**Proposed Farhatabad Limestone Mine** (ML Area: 1445.83 ha.) with Limestone Production Capacity: 6.0 Million TPA, Top Soil: 0.14 Million TPA, Overburden: 1.21 Million TPA (Total Excavation: 7.35 Million TPA) and Installation of 2 x 1200 TPH Crushers along with Wobbler at Villages: Balwad, Tilgul, Kirangi & B. Saradgi, Taluka & District: Kalaburagi (Karnataka) by Shree Cement Limited	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://drive.google.com/file/d/1JuoSRnQU91TSb9I0unoFQC2jDSUBbV3b/view	• PH held on 14.07.2023 and PH MOM & Proceeding received on 07.09.2023. • Final EIA submission to MoEF&CC is under process.

Sl. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link	Remarks (Details of various stages)
9.	**Bhuj Integrated Cement Plant** with production capacity of Clinker: 2.65 Million TPA, Cement: 4.57 Million TPA (OPC, PPC, PSC, SRC, RHPC & Composite Cement), CPP: 25 MW, WHRS: 23 MW, Synthetic Gypsum: 1560 TPD (65 TPH) and DG Sets: 2500 KVA (1 x 2500 KVA or 2 x 1000 KVA & 1 x 500 KVA or 1 x 1000 KVA, 2 x 500 KVA & 2 x 250 KVA) at Village: Chher Moti, Taluka: Lakhpat, District: Kachchh (Gujarat) of Shree Cement Limited	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=48170343	· EC (ToR) Application submitted to MoEF&CC on 20.02.2024. · ToR Meeting date is awaited.
10.	**Gothra Limestone Mine (ML No.: 47/2007 & ML Area: 624 ha.)** for Expansion in Limestone Production Capacity from 3.2 to 6.75 Million TPA and Top Soil: 0.12 Million TPA, Waste: 21.0 Million TPA, ROM Reject: 0.358 Million TPA (Total Excavation: 28.228 Million TPA) in addition to Expansion of Existing Crusher from 1200 TPH to 1600 TPH (Primary) by internal modification and 550 TPH (Secondary) along with Wobbler at Villages: Gothra, Choudhani, Devgaon & Kheswa Ki Dhani, Tehsil: Nawalgarh, District: Jhunjhunu, State: Rajasthan of Shree Cement Limited	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=34952029	· EC (ToR) Application submitted to MoEF&CC on 30.12.2023. · ToR letter issued by MoEF&CC on 08.02.2024. · PH documents submitted to SPCB on 25.04.2024 for conduction of Public Hearing. · PH date is awaited
11.	**Mohra (Block - A) Limestone Block" (ML Area: 127.046 ha)** with limestone production capacity of 1.5 Million TPA, OB: 0.16 Million TPA, IB: 0.008 Million TPA, Screen Waste: 0.167 Million TPA & Top Soil: 0.012 Million TPA (Total Excavation: 1.85 Million TPA) and installation of Primary Crusher: 800 TPH & Secondary Crusher: 400 TPH along with Wobbler near Villages: Mohra, Patharchuwa and Bhalukona, Tehsil: Simga & Palari, District: Balodabazar - Bhatapara, Chhattisgarh of Shree cement Ltd.	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **JM EnviroNet Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://environmentclearance.nic.in/TrackState_proposal.aspx?type=TOR&status=TOR_new&statename=Chhattisgarh&pno=SIA/CG/MIN/81526/2022&pid=236900	· EC (ToR) application has been submitted to SEIAA, Chhattisgarh on 02.08.2022. · ToR Letter issued by SEAC, Chhattisgarh on 03.10.2023. · PH documents submitted to CECB, Chhattisgarh on 06.12.2023 for conduction of public hearing. · PH date is awaited
12.	**Datima Coal Block (ML Area: 807.91 ha.)** with targeted production capacity of 0.36 Million TPA and peak rated capacity of 0.54 Million TPA in Village: Rai in Taluka: Bhatgaon, Villages: Datima & Kharsura in Taluka: Surajpur, Villages: Kumda & Laxmanpur in Taluka: Latori, District: Surajpur, Chhattisgarh of **Shree Cement Limited**	EIA Notification dated 14.09.2006 vide S.O. 1533(E), as amended thereof	14.09.2006	Yes by **Min Mec Consultancy Pvt. Ltd.** (NABET Accredited EIA Consultant)	Yes	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=28147358	· EC (ToR) Application submitted to MoEF&CC on 06.12.2023. · ToR letter issued by MoEF&CC on 29.01.2024. · PH documents submission to SPCB is under process

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

The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 78.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 87.

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

Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 83.

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

Yes, M/S SGS India Private Limited was engaged by the company to provide an independent assurance for FY 2023-24. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The response to these questions have been covered in the Natural Capital Section of the Integrated annual report FY 2023-24, page no. 88-89.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Manufacture and use of synthetic gypsum	Synthetic gypsum is manufactured using low grade limestone and spent acid (waste from other industry). This synthetic gypsum is used to replace natural mineral gypsum for cement production.	- Reduction in mineral gypsum consumption - Use of low-grade limestone and spent acid, leading to effective waste management - Cost savings on account of usage of synthetic gypsum
2	Air cooled condenser	Air cooled condensers are installed within captive power plants and waste heat recovery systems replacing conventional water-cooled condensers	- Savings of substantial quantity of cooling water
3	Alternative fuels and raw materials	Consumption of alternative fuels and alternative raw materials in cement manufacturing	- Production of blended cement/ low carbon cement - Reduced natural resource consumption (Raw materials and fuels)
4	Green Power	We have one of the highest WHR capacity in cement industry outside China. Additionally, we have substantially enhanced our solar and wind capacity in the reporting year. This has minimized our dependency on grid electricity and conventional fuel-based electricity.	- Decrease in fossil fuel consumption - Reduced GHG Emissions

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

   The response to these questions have been covered in the Risk and Opportunity Section of the Integrated annual report FY 2023-24, page no. 44.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

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

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 114.

   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.**

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 114.

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

Name of authority	Brief of the case	Corrective action taken
	NIL	

We conduct awareness sessions and trainings on code of conduct which includes aspect of anti-competitive conduct. Further, we did not identify any issues related to anti-competitive conduct.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 114.

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.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 104.

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

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

We do not have any ongoing project and neither we undertook any project during the reporting period that involved Rehabilitation and Resettlement.

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

   The response to these questions have been covered in the Corporate Governance section of the Integrated annual report FY 2023-24, page no. 104.

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

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

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**

   The response to these questions have been covered in the Human capital section of the Integrated annual report FY 2023-24, page no. 72.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 104.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 104.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)**

   Yes, the response to these questions have been covered in the Social and Relationship Capital section of the Integrated annual report FY 2023-24, page no. 107.

   (b) **From which marginalized/vulnerable groups do you procure?**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

   (c) **What percentage of total procurement (by value) does it constitute?**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 107.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		N.A.		

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of Authority	Brief of the Case	Corrective Action Taken
	N.A.	

6. **Details of beneficiaries of CSR Projects**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 99 & 101-104.

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.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 106.

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	100%
Safe and responsible usage	
Recycling and/or safe disposal	

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

   The response to these questions have been covered in the Social and Relationship Capital section of the Integrated annual report FY 2023-24, page no. 106.

4. **Details of instances of product recalls on account of safety issues:**

   The response to this question have been covered in the Social and Relationship Capital section of the Integrated annual report FY 2023-24, page no 106.

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, we have an Information security policy in place.

   Weblink: https://www.shreecement.com/investors/policies

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 response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 106.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers** Nil

   c. **Impact, if any, of the data breaches** Nil

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   https://www.shreecement.com/our-business

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 106.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services**

   Cement which is our major product does not fall under Essential Services hence this is not applicable.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   The response to these questions have been covered in the Social and Relationship capital section of the Integrated annual report FY 2023-24, page no. 106.

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of Shree Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and its profit, its cash flows and the changes in equity 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

DESCRIPTION OF KEY AUDIT MATTERS:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods:	
The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included the following: • Considered the appropriateness of Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; • Assessed the relevant disclosures made in the Standalone financial statements

Key audit matters	How our audit addressed the key audit matter
Litigation, Claims and Contingent Liabilities:	
The Company is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities. • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable,' 'possible' and remote;' • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the standalone financial statements. • For those matters where Company concluded that no provision should be recorded, we also considered the adequacy and completeness of the Company's disclosures made in relation to contingent liabilities.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance 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 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 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 section 143 (11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure '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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;

ii. The Company did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend;

b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

vi. During the year, with effect from 1st February, 2024, the Company has migrated to a new ERP system which is widely used as accounting software for maintaining books of accounts. Based on our examination, which included test checks, this accounting software has a required feature of recording audit trail (edit log) facility and that has operated throughout the period from date of migration to the end of financial year. In case of earlier accounting software, the audit trail (edit log) as well modified value for all relevant transactions were recorded in the said software except the audit trail (edit log) was not enabled for certain information and it was not enabled at database level.

During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with, for the period the audit trail feature was enabled.

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

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075
UDIN: 24081075BKFDJZ5792

Date: 14th May, 2024
Place: Gurugram

Annexure "A" to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.

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

   b) According to the information and explanations given to us, property, plant and equipment have been physically verified by the management in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

   c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of all the immovable properties (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.

   e) According to the information and explanations given to us, no proceedings have been initiated or pending against the Company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. In respect of its inventories:

   a) The management has physically verified the inventories. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.

   b) The Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets during the year. According to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

3. The Company has made investments in and granted unsecured loans to companies during the year, in respect of which;

   a) the aggregate amount granted during the year and balance outstanding at the balance sheet date with respect to loans granted to subsidiaries is ₹155.01 crore and ₹122.25 crore respectively;

   b) the investment made and terms and conditions of grant of such loans are not prejudicial to the Company's interest;

   c) in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount and receipt of interest has generally been regular as per the stipulation;

   d) in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date;

   e) no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;

   f) the Company has granted a loan to a subsidiary which is repayable on demand. The aggregate amount of the loan granted is ₹155.01 crore during the year. There are no other loans granted to related parties as defined in sub-section (76) of section 2 of the Act.

4. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made, as applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

6. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under section 148 of the Act, and are of the opinion that the prima facie, the prescribed Cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues:

   a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

   There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

   b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of disputes are given below:

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(A) Excise and Service Tax				
Central Excise Act, 1944	Cenvat credit of inputs	0.57	2005-06 to 2007-08 & 2013-14	Commissioner (Appeals) of Central Excise and Service Tax
	Cenvat credit on capital goods	0.03	2009-10	Rajasthan High Court, Jaipur
Finance Act, 1994	Credit of Service Tax on input services	6.72	2015-16 to 2017-18	Central Excise & Service Tax Appellate Tribunal (CESTAT), Delhi
Total (A)		**7.32**		
(B) Customs Duty				
Customs Act, 1962	Custom Duty Valuation	0.29	2009-10	Assistant /Deputy Commissioner
	Custom Duty Valuation	15.47	2008-09 to 2009-10 and 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)
	Custom Duty Valuation	0.04	2017-18 & 2019-20	Commissioner (Appeals) of Central Excise and Service Tax
Total (B)		**15.80**		
(C) Sales Tax				
Rajasthan VAT Act, 2003	VAT Demand on deemed Sale	94.93	2019-20	Appellate Authority, Ajmer
Bihar VAT Act, 2005	Input VAT Credit	0.12	2016-17	Joint Commissioner of Commercial Taxes (Appeals) Central Division, Patna
Uttrakhand VAT Act, 2005	Concessional tax diesel used for raw material transportation	0.44	2017-18 to 2018-19	Joint Commissioner of Commercial Taxes (Appeals), Haridwar
Total (C)		**95.49**		

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(D) Goods and Service Tax				
Goods and Service Tax Act, 2017	Short Payment of Tax/Excess or wrong availment of Input Tax Credit	5.72	2017-18 to 2020-21	Commissioner (Appeals)
	Short Payment of Tax / Non reversal of GST ITC	0.19	2017-18 to 2018-19	Patna High Court
Total (D)		**5.91**		
(E) Entry tax				
UP Tax on Entry of Goods Act, 2000	Interest on Entry tax	2.78	2009-10	Joint Commissioner, Ghaziabad
Chhattisgarh Tax on Entry of Goods Act, 1976	Entry Tax	14.79	2014-15 to 2017-18	Chhattisgarh High Court, Bilaspur
Punjab Tax on Entry of Goods into Local Area Act, 2000	Input Tax credit	0.57	2010-11 to 2013-14	Tribunal, Chandigarh
Total (E)		**18.14**		
(F) Others				
Rajasthan Finance Act, 2008	Environment & Health Cess on Minerals	91.77	2007-08 to 2016-17	The Supreme Court
Rajasthan Land Tax Act, 2006	Land Tax, Rajasthan	0.80	2006-07 to 2009-10	DIG, Stamps & Registration, Ajmer
Employee State Insurance Act, 1948	Employee State Insurance	1.04	2013-14 to 2017-18	ESI Court, Jaipur
Mines and Minerals (Development & Regulation) Act, 1957	Differential Royalty on Limestone	3.10	1989-90, 1992-93, 1993-94 and 2001-02	Rajasthan High Court
MMDR act read with Rajasthan Mineral Concession Rules read with RM (PIMTS) Rules 2007	Storage of Mineral awaiting registration	0.30	2009-10 to 2010-11	Rajasthan Tax Board
Rajasthan Stamps Act, 1998	Stamp Duty	0.57	2003-04 to 2004-05	Rajasthan High Court
Total (F)		**97.58**		
Grand Total (A+B+C+D+E+F)		**240.24**		

8. 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).

9. a) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

   b) The Company is not declared a willful defaulter by any bank or financial institution or other lender.

   c) The term loan has been applied for the purpose for which they were obtained.

   d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

   e) The Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries. The Company does not have associates or joint ventures.

   f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have associates or joint ventures.

10. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.

    b) The company has not made any preferential allotment of shares or fully or partially convertible debentures during the year. Hence, reporting under clause 3 (x) (b) of the Order is not applicable.

11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

    b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

    c) We have taken into consideration the whistleblower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

    b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him, therefore, reporting under clause 3(xv) of the Order is not applicable.

16. a) The Company is not engaged in business of Non-Banking Financial Company or Housing Finance Company or Core Investment Company requiring registration under the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

    b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The Company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

    b) There are no unspent amounts towards CSR on ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075
UDIN: 24081075BKFDJZ5792

Date: 14th May, 2024
Place: Gurugram

Annexure "B" to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of Shree Cement Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075
UDIN: 24081075BKFDJZ5792

Date: 14th May, 2024
Place: Gurugram

Standalone Balance Sheet

AS AT 31ST MARCH, 2024

(₹ in Crore)

	Notes	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	6	6,276.94	4,591.10
Capital Work-in-Progress	36	1,832.75	2,320.25
Intangible Assets	7	98.09	46.29
Right of Use Assets	8	723.69	695.30
Financial Assets			
Investments	9	5,455.83	8,299.85
Loans	10	3.40	3.66
Other Financial Assets	11	108.38	135.93
Deferred Tax Assets (Net)	12	599.21	668.56
Non-Current Tax Assets (Net)		197.88	172.55
Other Non-Current Assets	13	891.64	749.07
		16,187.81	**17,682.56**
Current Assets			
Inventories	14	3,146.24	2,422.61
Financial Assets			
Investments	15	5,219.45	3,350.68
Trade Receivables	16	929.77	906.05
Cash and Cash Equivalents	17	161.77	6.06
Bank Balances other than Cash and Cash Equivalents	18	135.35	113.23
Loans	10	125.87	6.92
Other Financial Assets	11	203.66	298.62
Other Current Assets	13	1,309.18	1,031.95
		11,231.29	**8,136.12**
Total Assets		**27,419.10**	**25,818.68**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	36.08	36.08
Other Equity	20	20,348.41	18,252.36
Total Equity		**20,384.49**	**18,288.44**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	713.08	580.87
Lease Liabilities		135.87	180.29
Other Financial Liabilities	22	139.22	159.35
Provisions	23	12.28	12.99
Other Non-Current Liabilities	25	21.97	-
		1,022.42	**933.50**
Current Liabilities			
Financial Liabilities			
Borrowings	24	760.58	1,958.30
Lease Liabilities		142.77	91.67
Trade Payables	52		
Total Outstanding Dues of Micro and Small Enterprises		15.91	12.30
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		1,048.12	1,116.40
Other Financial Liabilities	22	1,648.92	1,441.06
Other Current Liabilities	25	1,995.10	1,660.37
Provisions	23	3.32	2.46
Current Tax Liabilities (Net)		397.47	314.18
		6,012.19	**6,596.74**
Total Equity and Liabilities		**27,419.10**	**25,818.68**
Material Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

Shreekant Somany
Independent Director
DIN: 00021423

Uma Ghurka
Independent Director
DIN: 00351117

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Standalone Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

	Notes	For the year ended 31.03.2024	For the year ended 31.03.2023
INCOME			
Revenue from Operations			
Gross Revenue from Operations		24,588.76	21,358.15
Less: GST recovered		5,003.23	4,520.66
Revenue from Operations	26	19,585.53	16,837.49
Other Income	27	561.09	431.51
Total Income		**20,146.62**	**17,269.00**
EXPENSES			
Cost of Materials Consumed	28	1,465.48	1,299.89
Purchases of Stock-in-Trade		432.90	38.47
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(66.64)	(78.52)
Employee Benefits Expenses	30	937.94	865.78
Power and Fuel		5,656.56	5,544.93
Freight and Forwarding Expenses	31	4,032.05	3,733.23
Finance Costs	32	264.33	268.93
Depreciation and Amortisation Expenses	6,7 & 8	1,614.67	1,546.20
Other Expenses	33	2,793.00	2,541.73
		17,130.29	15,760.64
Captive Consumption of Cement		(29.30)	(50.28)
Total Expenses		**17,100.99**	**15,710.36**
PROFIT BEFORE TAX		**3,045.63**	**1,558.64**
Tax Expense	42		
Current Tax		509.81	247.99
Tax Expense Relating to Earlier Years (Net)		-	(154.28)
Deferred Tax (Credit) / Charge		67.38	136.80
		577.19	230.51
PROFIT FOR THE YEAR		**2,468.44**	**1,328.13**
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss - Re-measurements of Defined Benefit Plans	38(b)	4.29	6.48
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.50)	(2.27)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedges	47	(9.96)	0.59
Income Tax relating to Items that will be Reclassified to Profit or Loss		3.48	(0.22)
		(3.69)	4.58
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the Year)		**2,464.75**	**1,332.71**
Earnings per Equity Share of ₹10 each (in ₹)	49		
Cash		1,150.33	834.55
Basic and Diluted		684.14	368.10
Material Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

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Company Secretary

Standalone Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2024

A. EQUITY SHARE CAPITAL (Refer Note 19)

Particulars	Numbers	₹ in Crore
Equity shares of ₹10 each, issued, subscribed and fully paid-up		
As at 01.04.2022	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31.03.2023	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31.03.2024	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 20)

For the year ended 31st March, 2024

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01.04.2023	**15.00**	**2,408.63**	**7,000.00**	**8,833.69**	**(4.96)**	**18,252.36**
Profit for the year				2,468.44		2,468.44
Other Comprehensive Income for the year						
Re-measurements of Defined Benefit Plans (Net of Tax)				2.79		2.79
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					(6.48)	(6.48)
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 47)					10.15	10.15
Interim Dividend on Equity Shares (Note 1 below)				(378.85)		(378.85)
Closing Balance as at 31.03.2024	**15.00**	**2,408.63**	**7,000.00**	**10,926.07**	**(1.29)**	**20,348.41**

Standalone Statement of Changes in Equity

For the year ended 31st March, 2023

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01.04.2022	**15.00**	**2,408.63**	**7,000.00**	**7,826.07**	**(14.91)**	**17,234.79**
Profit for the year				1,328.13		1,328.13
Other Comprehensive Income for the year						
Re-measurements of the Defined Benefit Plans (Net of Tax)				4.21		4.21
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					0.37	0.37
Transfer to Initial Carrying Amount of Hedged Items (Net of tax) (Refer Note 47)					9.58	9.58
Final Dividend on Equity Shares (Note 2 below)				(162.36)		(162.36)
Interim Dividend on Equity Shares (Note 3 below)				(162.36)		(162.36)
Closing Balance as at 31.03.2023	**15.00**	**2,408.63**	**7,000.00**	**8,833.69**	**(4.96)**	**18,252.36**

Note 1: Interim Dividend at the rate of ₹55 per share of ₹10 each for FY 2022-23 and ₹50 per share of ₹10 each for FY 2023-24.

Note 2: Final Dividend at the rate of ₹45 per share of ₹10 each for FY 2021-22.

Note 3: Interim Dividend at the rate of ₹45 per share of ₹10 each for FY 2022-23.

Nature of Reserves

Capital Redemption Reserve

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Securities Premium

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represents the reserve created by apportionment of profits generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Effective Portion of Cash Flow Hedges

The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
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Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Standalone Statement of Cash Flow

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
A Cash Flow From Operating Activities				
Profit Before Tax		**3,045.63**		**1,558.64**
Adjustments For :				
Depreciation and Amortisation Expenses	1,614.67		1,546.20	
Foreign Exchange Rate Differences (Net)	(0.56)		(3.41)	
Bad Debts Written Off	1.51		0.58	
Allowance for Doubtful Trade Receivables (Net)	2.26		0.18	
Gain on Fair Value of Interest Free SGST Loan from Government	-		(14.00)	
Net (Gain)/ Loss on Sale of Investments	17.73		4.28	
(Gain)/ Loss on Fair Value of Investments through Profit or Loss	(317.45)		(135.46)	
Interest Income	(250.48)		(285.45)	
Dividend Income on Investments Classified at Fair Value through Profit or Loss	(5.50)		(5.50)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(4.75)		1.33	
Finance Costs	264.33	1,321.76	268.93	1,377.68
Operating Profit Before Working Capital Changes		**4,367.39**		**2,936.32**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	(343.57)		(452.62)	
(Increase) / Decrease in Inventories	(723.63)		(261.21)	
Increase / (Decrease) in Trade & Other Payables and Provisions	443.44	(623.76)	810.49	96.66
Cash Generated From Operations		**3,743.63**		**3,032.98**
Direct Taxes Paid (Net of Refunds)		(440.01)		(328.66)
Net Cash Flow From Operating Activities		**3,303.62**		**2,704.32**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipment (Including Capital Work-in-Progress and Capital Advances)	(2,756.80)		(2,805.27)	
Proceeds from Sale of Property, Plant and Equipment	10.96		65.83	
Payments for Intangible Assets	(59.86)		(22.48)	
(Purchases) / Proceeds of Investments in Mutual Funds (Net)	16.86		260.14	
Investment made in Subsidiary Companies	(242.07)		(524.69)	
Purchases of Other Investments	(100.01)		-	
Proceeds from Sale/ Redemption of Other Investments	1,577.94		267.96	
Loan Given to Subsidiary Companies	(155.01)		(36.92)	
Repayment Received for Loan Given to Subsidiary Companies	34.74		55.69	
Investments in Bank Deposits	(35.34)		(68.93)	
Maturity of Bank Deposits	31.04		59.43	
Change in Earmarked Balances with Banks (Unpaid Dividend)	0.18		(0.25)	

Standalone Statement of Cash Flow

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
Dividend Received	5.50		5.50	
Interest Received	321.62		335.11	
Net Cash Used in Investing Activities		**(1,350.25)**		**(2,408.88)**
C Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	698.57		193.63	
Repayment of Long Term Borrowings	(1,168.49)		(378.93)	
Repayment of Lease Liabilities	(233.87)		(187.99)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(492.30)		640.14	
Interest and Financial Charges Paid	(218.57)		(257.44)	
Dividend Paid	(379.03)		(324.47)	
Net Cash Used in Financing Activities		**(1,793.69)**		**(315.06)**
Net Increase/ (Decrease) in Cash and Cash Equivalents		**159.68**		**(19.62)**
Cash and Cash Equivalents as at the beginning of the Year		**(25.09)**		**(5.47)**
Cash and Cash Equivalents as at the end of the Year		**134.59**		**(25.09)**

Notes :

1. Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
2. The above statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.
3. For the purpose of Standalone Statement of Cash Flow, Cash and Cash Equivalents comprises the following:

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks	158.98	3.16
Cash on Hand	2.79	2.90
	161.77	6.06
Less: Bank Overdraft	27.18	31.15
	134.59	**(25.09)**

4. Refer Note 43 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
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DIN: 00244329

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Vice Chairman
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Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Notes Forming Part of Standalone Financial Statements

NOTE 1 - CORPORATE INFORMATION

Shree Cement Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar - 305901 (Rajasthan) India.

The Company is engaged in the manufacturing and selling of cement and cement related products. It is regarded as one of the most efficient and environment friendly company in the global cement industry.

NOTE 2 - STATEMENT OF COMPLIANCE

The standalone financial statements (hereinafter referred to as "financial statements") of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

These financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on 14th May, 2024.

NOTE 3 - NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

(a) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

(b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

(c) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

These amendments are effective from 1st April, 2023 and the effect of these amendments has been incorporated in these financial statements to the extent applicable to the Company. These amendments do not have material impact on the financial statements of the Company.

(ii) Application of New Amendments Issued but Not Yet Effective

Ministry of Corporate Affairs ("MCA") has not issued any new Ind AS/ amendments to Ind AS which are effective from 1st April, 2024.

NOTE 4 - MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

The Financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 4(s)).
- Employee's defined benefit plan as per actuarial valuation.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("₹") and all values are rounded to the nearest crore, except otherwise indicated.

Notes Forming Part of Standalone Financial Statements

b) Classification of Assets and Liabilities into Current/ Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realize the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is 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.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or
4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/ amortisation and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use, including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to statement of profit and loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress is carried at cost and directly attributable expenditure/ income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other non-current assets".

Depreciation is provided on written down value method over the estimated useful lives of the assets which are determined based on technical parameters/assessment. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant and Equipment	3-20 Years
Buildings	20 Years
Roads	10 Years
Railway Siding	20 Years
Vehicles	5-6 Years
Office Equipment	3-5 Years
Furniture and Fixtures	5 Years

Assets individually costing less than or equal to ₹25,000 are fully depreciated in the year of purchase. Freehold land containing mineral reserve is amortised over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects, from the date when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

Gains or losses arising from de-recognition of assets 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 disposed and / or derecognized.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use.

Notes Forming Part of Standalone Financial Statements

Amortisation is provided on a written down value method over estimated useful lives, but not exceeding three years except mining rights which is amortised based on units-of-production method.

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and method of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Impairment of Non-Financial Assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. 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 cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of Cash Generating Unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

g) Revenue Recognition

Revenue is recognized to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Services Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognized when the right to receive the payment is established. Interest income is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/ redemption of investment on the date of transaction.

i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognized only when collection is virtually certain which generally coincides with receipt.

j) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in statement of profit and loss on a systematic basis over the period to match them with the related costs.

Grants related to assets are included in liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognized in the statement of profit and loss.

k) Employee Benefits

1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme and Employees State Insurance Corporation ("ESIC") are considered as defined contribution plan and the contributions are charged to the statement of profit and loss for the year in which employees have rendered related services.

2) Defined Benefit Plan

Gratuity is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurements

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee Benefits Expenses'.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re- measurements are not reclassified to statement of profit and loss in subsequent periods.

3) Other Long Term Benefits

En-cashable leave in case of employees covered by Cement Wage Board and non en-cashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/ losses, if any, are recognized in statement of profit and loss in the year in which they arise.

4) Other Short Term Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

l) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also the Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise except the amount of such exchange differences capitalized in accordance with policy on 'Borrowing Costs'.

m) Taxation

Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Notes Forming Part of Standalone Financial Statements

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable 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 weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

2) Work-in-Progress, Finished Goods and Stock-in-Trade

These are valued at lower of cost and net realizable value. Cost of work-in-progress and finished goods include direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable 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 and Contingencies

1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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 time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Mines Reclamation Expenditure

The Company provides for the expenditure to reclaim the quarries used for mining, in statement of profit and loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in statement of profit and loss.

2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will

Notes Forming Part of Standalone Financial Statements

be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognized.

p) Leases

At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to lease agreements in which it is the lessee.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right of use asset is measured at inception at the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated depreciation/ amortisation, accumulated impairment losses, if any. Right of use assets are depreciated/ amortised on straight line basis over the shorter period of lease term and useful life of the underlying asset.

For a lease modification that is not accounted as a separate lease, the Company re-measure the lease liability by discounting the revised lease payments using revised discount rate, with corresponding adjustment to the 'right of use asset'. The Company recognize gain or loss in the statement of profit and loss for partial or full termination of lease for lease modifications that decrease the scope of the lease.

The right of use assets and lease liability is presented separately on the face of the Balance sheet as 'Right of Use Assets' and 'Lease Liabilities' respectively.

q) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognized in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a business combination and recognised separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized in Other Comprehensive Income ("OCI") and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Notes Forming Part of Standalone Financial Statements

r) Investment in Subsidiaries

The Company's investments in its subsidiaries are carried at cost less impairment, if any.

On disposal of investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

s) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, investments, loans and other financial assets.

Classification and Subsequent Measurement

Financial assets are subsequently measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

a) Financial Assets 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.

b) 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.

c) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and interest income on financial assets at fair value through profit or loss is recognized as dividend and interest income respectively and included in 'Other Income'.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivative designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Notes Forming Part of Standalone Financial Statements

Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

a) Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

b) Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using effective interest rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

3) Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivative is carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in statement of profit and loss. Amounts accumulated in equity are reclassified to profit or loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) Financial Liabilities and Equity Instruments:

Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

t) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits,

Notes Forming Part of Standalone Financial Statements

as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

u) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTE 5 - SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates is adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) Mines Reclamation Obligation

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government securities of similar tenure.

f) Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. 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, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Refer Note 38 for sensitivity analysis.

g) Fair Value Measurement of Financial Instruments

When the fair values 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 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.

Notes Forming Part of Standalone Financial Statements

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Gross block				Depreciation / Amortisation				Net block As at 31.03.2024
	Opening as at 01.04.2023	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2024	
Tangible Assets :									
Free Hold Land	1,835.55	354.49	1.66	2,188.38	20.87	8.30	-	29.17	2,159.21
Buildings	1,443.00	114.97	0.25	1,557.72	938.18	136.33	0.04	1,074.47	483.25
Plant and Equipment	10,390.85	2,669.04 (a)	21.26	13,038.63	8,362.76	1,267.94	19.79	9,610.91	3,427.72
Railway Sidings	245.66	1.31	-	246.97	41.20	47.94	-	89.14	157.83
Furniture and Fixtures	61.41	6.06	0.35	67.12	54.19	7.54	0.35	61.38	5.74
Office Equipment	92.05	17.02	1.98	107.09	81.84	14.75	1.80	94.79	12.30
Vehicles	63.32	32.97	9.87	86.42	41.70	20.50	6.67	55.53	30.89
Total	**14,131.84**	**3,195.86**	**35.37**	**17,292.33**	**9,540.74**	**1,503.30 (b)**	**28.65**	**11,015.39**	**6,276.94**

(₹ in Crore)

Particulars	Gross block				Depreciation / Amortisation				Net block As at 31.03.2023
	Opening as at 01.04.2022	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2023	
Tangible Assets :									
Free Hold Land	1,719.63	170.14	54.22	1,835.55	15.04	5.83	-	20.87	1,814.68
Buildings	1,306.98	147.79	11.77	1,443.00	794.40	144.58	0.80	938.18	504.82
Plant and Equipment	9,537.53	885.14 (a)	31.82	10,390.85	7,083.89	1,309.32	30.45	8,362.76	2,028.09
Railway Sidings	37.92	207.74	-	245.66	27.68	13.52	-	41.20	204.46
Furniture and Fixtures	53.10	8.53	0.22	61.41	46.45	7.96	0.22	54.19	7.22
Office Equipment	79.84	14.12	1.91	92.05	71.57	12.12	1.85	81.84	10.21
Vehicles	52.84	21.59	11.11	63.32	36.99	15.26	10.55	41.70	21.62
Total	**12,787.84**	**1,455.05**	**111.05**	**14,131.84**	**8,076.02**	**1,508.59 (b)**	**43.87**	**9,540.74**	**4,591.10**

(a) Includes ₹39.58 crore (for the year ended 31.03.2023 : ₹12.02 crore) for capital expenditure on research and development.

(b) Depreciation for the year includes ₹56.15 crore (for the year ended 31.03.2023 : ₹83.83 crore) on assets during construction period.

(c) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP carrying value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹8,508.98 crore and ₹5,587.79 crore, respectively.

(d) Refer note 8 for Right of Use Assets.

Notes Forming Part of Standalone Financial Statements

NOTE 7 - INTANGIBLE ASSETS

(₹ in Crore)

Particulars	COST				AMORTISATION				Net carrying amount As at 31.03.2024
	Opening as at 01.04.2023	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2024	
Intangible Assets :									
Computer Software	25.47	47.97	-	73.44	24.13	7.36	-	31.49	41.95
Mining Rights	46.78	11.89	-	58.67	1.83	0.70	-	2.53	56.14
Total	**72.25**	**59.86**	**-**	**132.11**	**25.96**	**8.06**	**-**	**34.02**	**98.09**

(₹ in Crore)

Particulars	COST				AMORTISATION				Net carrying amount As at 31.03.2023
	Opening as at 01.04.2022	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2023	
Intangible Assets :									
Computer Software	22.57	2.90	-	25.47	21.64	2.49	-	24.13	1.34
Mining Rights	27.20	19.58	-	46.78	1.47	0.36	-	1.83	44.95
Total	**49.77**	**22.48**	**-**	**72.25**	**23.11**	**2.85**	**-**	**25.96**	**46.29**

(a) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

NOTE 8 - RIGHT OF USE ASSETS

(₹ in Crore)

Particulars	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				Net carrying amount As at 31.03.2024
	Opening as at 01.04.2023	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2024	
Land	499.83	36.44	0.11	536.16	57.71	11.49	0.11	69.09	467.07
Buildings	95.08	50.40	29.02	116.46	25.53	45.03	28.47	42.09	74.37
Plant and Equipment	29.40	-	26.14	3.26	16.12	11.79	25.81	2.10	1.16
Railway Sidings	211.49	-	-	211.49	62.64	43.62	-	106.26	105.23
Vehicles	35.60	147.30	51.16	131.74	14.10	81.96	40.18	55.88	75.86
Total	**871.40**	**234.14**	**106.43**	**999.11**	**176.10**	**193.89 (a)**	**94.57**	**275.42**	**723.69**

(₹ in Crore)

Particulars	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				Net carrying amount As at 31.03.2023
	Opening as at 01.04.2022	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2023	
Land	446.05	53.87	0.09	499.83	47.37	10.43	0.09	57.71	442.12
Buildings	37.71	85.26	27.89	95.08	20.26	32.81	27.54	25.53	69.55
Plant and Equipment	12.10	43.21	25.91	29.40	7.09	32.75	23.72	16.12	13.28
Railway Sidings	164.83	46.66	-	211.49	19.14	43.50	-	62.64	148.85
Vehicles	24.60	33.13	22.13	35.60	8.42	18.58	12.90	14.10	21.50
Total	**685.29**	**262.13**	**76.02**	**871.40**	**102.28**	**138.07 (a)**	**64.25**	**176.10**	**695.30**

(a) Depreciation for the year includes ₹34.43 crore (for the year ended 31.03.2023 : ₹19.48 crore) on assets during construction period.

(b) The Company has taken several assets including land, godowns, office premises, railway sidings, vehicles and heavy earth moving machineries on lease.

Notes Forming Part of Standalone Financial Statements

NOTE 9 - NON CURRENT INVESTMENTS

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Investments at Cost (A)					
UNQUOTED					
Subsidiary Companies					
Fully Paid Equity Shares					
Shree Global FZE	1 AED	137,21,26,000	2,617.51	137,21,26,000	2,617.51
Raipur Handling and Infrastructure Private Limited	10	57,00,755	181.98	34,47,225	101.98
Shree Cement East Bengal Foundation (Refer Note 9.3)	10	26,000	-	26,000	-
Shree Cement North Private Limited	10	11,00,00,000	110.00	11,00,00,000	110.00
Shree Cement East Private Limited	10	70,50,00,000	705.00	50,50,00,000	505.00
Shree Cement South Private Limited	10	50,000	0.05	50,000	0.05
Partly Paid Equity Shares					
Shree Cement North Private Limited [Paid up of ₹5.39 per share as at 31.03.2024 (Paid up of ₹4.39 per share as at 31.03.2023)]	10	10,00,00,000	53.90	10,00,00,000	43.90
Shree Cement East Private Limited (Paid up of ₹5 per share as at 31.03.2023)	10	-	-	10,00,00,000	50.00
Shree Cement South Private Limited [Paid up of ₹9.74 per share as at 31.03.2024 (Paid up of ₹9.27 per share as at 31.03.2023)]	10	4,40,00,000	42.86	4,40,00,000	40.79
Total (A)			**3,711.30**		**3,469.23**
Investments at Amortised Cost (B)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	-	-	305	31.34
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	151.58	14,02,310	155.12
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	-	-	300	31.85
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	-	-	250	26.42
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	21.95	2,10,000	22.16
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	57.57	5,32,500	58.53
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.22	66	7.33
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.55	5,50,000	55.60
7.28% IRFC Tax Free Bonds - 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	51.96	5,11,350	52.04
Power Finance Corporation					
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	-	-	250	25.50
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.47	1,000	10.63
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.55	24,000	2.59
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	32.17	300	32.59
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	97.21	8,39,928	99.74

Notes Forming Part of Standalone Financial Statements

NOTE 9 - NON CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
7.05% PFC Bonds - 09AG30	10,00,000	-	-	350	35.00
6.88% PFC Bonds - 11AP31	10,00,000	-	-	150	14.91
National Highways Authority of India					
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	-	-	100	10.01
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	-	-	330	33.29
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	49.81	4,56,388	51.16
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	25.17	228	25.58
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	16.84	158	16.95
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	170.90	15,23,022	173.02
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	103.19	950	104.07
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	154.11	13,75,838	155.94
Housing and Urban Development Corporation Limited					
7.19% HUDCO Tax Free NCD - 31JL25	10,00,000	68	6.85	68	6.89
7.07% HUDCO Tax Free NCD - 01OT25	10,00,000	250	25.04	250	25.08
7.00% HUDCO Tax Free NCD - 09OT25	10,00,000	120	12.05	120	12.09
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.10	2,80,066	28.15
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.82	37,645	3.85
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	101.27	9,70,000	102.51
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.43	1,19,000	12.56
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	4.83	44	4.91
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.23	20,000	2.27
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.13	3,00,439	31.24
India Infrastructure Finance Company Limited					
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	-	-	250	26.18
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	-	-	150	15.26
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	-	-	4,46,000	46.24
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.38	1,50,000	15.46
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	10.78	100	10.93
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.11	130	14.33
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	6.95	64	7.06
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.28	11,680	1.30
Rural Electrification Corporation					
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.79	45,564	4.86
7.38% REC Tax Free Bonds - 19DC27	1,000	-	-	1,00,000	10.48
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	19.60	181	19.90
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	35.14	3,22,500	35.68
7.50% REC Bonds - 28FB30	10,00,000	-	-	1,000	101.07
7.55% REC Bonds - 11MY30	10,00,000	-	-	438	44.43
6.80% REC Bonds - 20DC30	10,00,000	-	-	250	24.93

Notes Forming Part of Standalone Financial Statements

NOTE 9 - NON CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.16	150	15.26
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.65	8,68,838	87.74
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	-	-	100	10.34
6.39% NABARD Bonds - 19NV30	10,00,000	-	-	750	72.34
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	50.02	4,55,065	50.52
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	350	35.62	450	46.35
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	44.08	400	44.88
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	17.41	30,000	17.85
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	39.21	67,000	40.20
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	7,00,000 (10,00,000 as at 31.03.23)	400	28.34	400	40.78
Housing Development Finance Corporation Limited					
7.40% HDFC NCD - 28FB30	10,00,000	-	-	350	35.40
7.25% HDFC NCD - 17JUN30	10,00,000	-	-	1,800	180.83
6.83% HDFC NCD - 08JN31	10,00,000	-	-	1,610	157.78
7.10% HDFC NCD - 12NV31	10,00,000	-	-	1,500	150.32
7.05% HDFC NCD - 01DC31	10,00,000	-	-	300	29.38
LIC Housing Finance Limited					
7.95% LICHF NCD - 29JN28	10,00,000	-	-	200	20.83
7.99% LICHF NCD - 12JL29	10,00,000	-	-	335	35.25
Hero FinCorp Limited					
6.95% HERO FIN CORP NCD - 03NV25	10,00,000	500	49.88	500	49.86
Mahindra Rural Housing Finance Limited					
7.75% MRHFL NCD - 15JL25	10,00,000	-	-	500	50.65
Food Corporation of India					
6.65% FCI Bonds - 23OT30	10,00,000	-	-	450	43.51
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds - 11OT30	10,00,000	-	-	1,000	100.00
6.85% MTNL Bonds - 20DC30	10,00,000	-	-	750	73.34
Total (B)			**1,744.53**		**3,225.57**
Investments at Fair Value through Profit or Loss (C)					
QUOTED					
Perpetual Bonds					

Notes Forming Part of Standalone Financial Statements

NOTE 9 - NON CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Bank of Baroda					
7.95% Bank of Baroda, Non Convertible Perpetual Bond	1,00,00,000	-	-	200	198.24
State Bank of India					
7.72% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	-	-	311	307.43
7.55% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	-	-	150	146.92
Units of Mutual Funds					
SBI FMP- Series 41 (1498 Days) Direct Growth	10	-	-	14,99,92,500	164.06
SBI FMP- Series 44 (1855 Days) Direct Growth	10	-	-	5,99,97,000	64.93
SBI FMP- Series 51 (1846 Days) Direct Growth	10	-	-	5,99,97,000	63.17
SBI FMP- Series 53 (1839 Days) Direct Growth	10	-	-	5,99,97,000	63.12
SBI FMP- Series 60 (1878 Days) Direct Growth	10	-	-	4,99,97,500	51.96
SBI FMP- Series 58 (1842 Days) Direct Growth	10	-	-	3,99,98,000	41.97
SBI FMP- Series 57 (1835 Days) Direct Growth	10	-	-	3,99,98,000	41.60
SBI FMP- Series 55 (1849 Days) Direct Growth	10	-	-	2,99,98,500	31.45
SBI FMP- Series 61 (1927 Days) Direct Growth	10	-	-	2,99,98,500	31.28
ABSL FTP Series TI (1837 Days) - Direct Growth	10	-	-	3,99,98,000	43.17
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	-	-	1,99,99,000	20.77
Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth	10	-	-	4,49,97,750	48.01
Kotak FMP Series 292 Direct Growth	10	-	-	6,99,96,500	74.85
HDFC FMP 1861D March 2022 - Series 46- Direct - Growth	10	-	-	2,99,98,500	31.27
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	-	-	10,59,600	7.88
CSTRIP GS 12-DEC-2027C	100	-	-	10,59,600	7.61
CSTRIP GS 15-MAR-2028C	100	-	-	1,00,00,000	70.56
CSTRIP GS 12-JUN-2028C	100	-	-	10,59,600	7.35
CSTRIP GS 12-DEC-2028C	100	-	-	10,59,600	7.09
CSTRIP GS 12-JUN-2029C	100	-	-	10,59,600	6.83
UNQUOTED					
Preference Shares					
Tata Capital Limited					

Notes Forming Part of Standalone Financial Statements

NOTE 9 - NON CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	-	-	7,50,000	73.53
Total (C)			**-**		**1,605.05**
Total (A+B+C)			**5,455.83**		**8,299.85**

*Except otherwise stated.

9.1 Aggregate carrying amount and market value of quoted investments : (₹ in Crore)

	As at 31.03.2024		As at 31.03.2023	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments	1,744.53	1,789.73	4,757.09	4,760.16
Total	**1,744.53**	**1,789.73**	**4,757.09**	**4,760.16**
9.2 Aggregate carrying amount of unquoted investments	**3,711.30**		**3,542.76**	

9.3 The Company has made investment of ₹0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Accordingly, the aforesaid investment value of ₹0.03 crore has been charged off to the statement of profit and loss during the year ended 31.03.2021.

NOTE 10 - FINANCIAL ASSETS - LOANS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Loans to Staff and Workers	3.40	3.66	3.62	4.94
Loan to Subsidiary Companies (Refer Note 41 and Note 50)	-	-	122.25	1.98
	3.40	**3.66**	**125.87**	**6.92**

NOTE 11 - FINANCIAL ASSETS - OTHERS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Derivative Financial Instruments	-	27.15	32.14	111.90
Security Deposits (Refer Note 41)	108.38	90.78	11.03	6.84
Fixed Deposits with Banks (maturity more than 12 months)	-	18.00	-	-
Interest Accrued on Bonds, Debentures, Deposits and Loans (Refer Note 41)	-	-	101.87	141.35
Others	-	-	58.62	38.53
	108.38	**135.93**	**203.66**	**298.62**

Notes Forming Part of Standalone Financial Statements

NOTE 12 - DEFERRED TAX ASSETS (NET)

(₹ in Crore)

	As at 31.03.2023	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2024
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	8.01	7.90	-	-	-	15.91
Expenses Allowed for Tax Purpose When Paid	185.51	(25.68)	-	-	-	159.83
Depreciation and Amortization	531.49	(38.22)	-	-	-	493.27
Cash Flow Hedges	2.66	-	-	3.48	(5.45)	0.69
Fair Value of Investments	25.41	3.43	-	-	-	28.84
MAT Credit Entitlement	6.08	35.38	-	-	-	41.46
Others	5.14	2.52	-	-	-	7.66
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	86.74	52.73	-	-	-	139.47
Others	9.00	(0.02)	-	-	-	8.98
Net Deferred Tax Assets/ (Liabilities)	**668.56**	**(67.38)**	**-**	**3.48**	**(5.45)**	**599.21**

(₹ in Crore)

	As at 31.03.2022	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2023
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	10.24	(2.23)	-	-	-	8.01
Expenses Allowed for Tax Purpose When Paid	192.15	(6.64)	-	-	-	185.51
Depreciation and Amortization	493.66	37.83	-	-	-	531.49
Cash Flow Hedges	8.02	-	-	(0.22)	(5.14)	2.66
Fair Value of Investments	16.48	8.93	-	-	-	25.41
MAT Credit Entitlement	-	(135.13)	141.21	-	-	6.08
Others	1.96	3.18	-	-	-	5.14
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	48.72	38.02	-	-	-	86.74
Others	4.28	4.72	-	-	-	9.00
Net Deferred Tax Assets/ (Liabilities)	**669.51**	**(136.80)**	**141.21**	**(0.22)**	**(5.14)**	**668.56**

Notes Forming Part of Standalone Financial Statements

NOTE 13 - OTHER ASSETS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	3.39	1.32
Advances to Suppliers and Contractors	-	-	143.15	148.54
Capital Advances	717.47	550.69	-	-
Assets Held for Disposal	-	-	0.07	0.08
Prepaid Expenses	9.68	7.01	23.03	7.88
Other Receivables	164.49	191.37	1,139.54	874.13
	891.64	**749.07**	**1,309.18**	**1,031.95**

13.1 Other receivables includes GST, Government grants and other dues from Government etc.

NOTE 14 - INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Raw Materials [Includes in transit ₹0.04 crore (As at 31.03.2023 : ₹2.51 crore)]	77.68	60.49
Fuel [Includes in transit ₹1,410.14 crore (As at 31.03.2023 : ₹884.25 crore)]	1,737.37	1,166.04
Stores and Spares [Includes in transit ₹3.51 crore (As at 31.03.2023: ₹nil)]	772.26	699.40
Packing Materials [Includes in transit ₹0.18 crore (As at 31.03.2023: ₹nil)]	47.86	52.25
Stock-in-Trade [Includes in transit ₹1.80 crore (As at 31.03.2023: ₹nil)]	4.54	0.05
Work-in-Progress [Includes in transit ₹22.79 crore (As at 31.03.2023 : ₹26.98 crore)]	367.50	331.66
Finished Goods [Includes in transit ₹34.54 crore (As at 31.03.2023 : ₹26.26 crore)]	139.03	112.72
	3,146.24	**2,422.61**

NOTE 15 - CURRENT INVESTMENTS

(₹ in Crore)

Particulars	Face Value (in ₹)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	3,00,000	400	12.14	-	-
Total (A)			**12.14**		**-**
Investments at Fair Value through Profit or Loss (B)					
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	-	-	1,00,00,000	12.25
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	176.10	-	-
SBI FMP- Series 44 (1855 Days) Direct Growth	10	5,99,97,000	69.67	-	-
SBI FMP- Series 51 (1846 Days) Direct Growth	10	5,99,97,000	67.87	-	-
SBI FMP- Series 53 (1839 Days) Direct Growth	10	5,99,97,000	67.77	-	-
SBI FMP- Series 60 (1878 Days) Direct Growth	10	4,99,97,500	55.75	-	-
SBI FMP- Series 58 (1842 Days) Direct Growth	10	3,99,98,000	45.02	-	-
SBI FMP- Series 57 (1835 Days) Direct Growth	10	3,99,98,000	44.69	-	-

Notes Forming Part of Standalone Financial Statements

NOTE 15 - CURRENT INVESTMENTS (contd.)

(₹ in Crore)

Particulars	Face Value (in ₹)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
SBI FMP- Series 55 (1849 Days) Direct Growth	10	2,99,98,500	33.74	-	-
SBI FMP- Series 61 (1927 Days) Direct Growth	10	2,99,98,500	33.56	-	-
ABSL FTP Series TI (1837 Days) - Direct Growth	10	3,99,98,000	46.37	-	-
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	1,99,99,000	22.32	-	-
Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth	10	4,49,97,750	51.59	-	-
Kotak FMP Series 292 Direct Growth	10	6,99,96,500	80.38	-	-
HDFC FMP 1861D March 2022 - Series 46- Direct - Growth	10	2,99,98,500	33.59	-	-
Nippon India Dynamic Bond Fund - Direct Growth Plan	10	8,28,06,868	295.95	8,28,06,868	273.08
ABSL Nifty SDL Apr 2027 Index Fund Direct Growth	10	11,93,21,791	133.91	11,93,21,791	124.89
ABSL CRISIL SDL Plus AAA PSU Apr 2027 60:40 Index Fund Direct Growth	10	5,99,97,000	66.42	5,99,97,000	61.95
ABSL Nifty SDL Plus PSU Bond - Sep 2026 60:40 Index Fund Direct Growth	10	27,13,03,485	305.16	27,13,03,485	284.54
DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Direct-Growth	10	1,99,76,826	22.43	1,99,76,826	20.85
ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10	4,98,46,266	55.38	4,98,46,266	51.69
ICICI Prudential Nifty PSU Bond plus SDL 40:60 Index Fund Sep 2027 Direct Plan Growth	10	19,70,92,310	221.23	19,70,92,310	206.38
Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	4,99,97,500	55.52	4,99,97,500	51.84
Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	1,99,99,000	22.83	1,99,99,000	20.94
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	10	2,99,98,500	33.16	2,99,98,500	30.91
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Direct Growth	10	14,99,92,500	167.50	14,99,92,500	156.22
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027 - Direct Plan Growth	10	4,94,41,775	55.68	4,94,41,775	51.92
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	19,24,13,366	228.44	19,24,13,366	213.01
Axis Crisil SDL 2027 Debt Index Fund Direct Growth (CRDGG)	10	3,00,33,339	33.29	3,00,33,339	31.06
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund Direct Plan Growth	10	14,99,92,500	168.34	14,99,92,500	156.60
Exchange Traded Funds					
Bharat Bond ETF- April 2023 - Growth	1,000	-	-	12,50,000	153.63
Bharat Bond ETF- April 2031 - Growth	1,000	39,99,800	484.88	39,99,800	445.68
Bharat Bond ETF- April 2030 - Growth	1,000	34,70,114	470.05	34,70,114	433.77
Bharat Bond ETF- April 2032 - Growth	1,000	19,99,900	227.40	19,99,900	208.57
Nippon India ETF Nifty CPSE Bond Plus SDL - 2024	100	97,82,600	117.60	97,82,600	109.55
Nippon India ETF Nifty SDL - 2026	100	2,25,00,000	269.54	2,25,00,000	251.35

Notes Forming Part of Standalone Financial Statements

NOTE 15 - CURRENT INVESTMENTS (contd.)

(₹ in Crore)

Particulars	Face Value (in ₹)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	8.49	-	-
CSTRIP GS 12-DEC-2027C	100	10,59,600	8.20	-	-
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	75.99	-	-
CSTRIP GS 12-JUN-2028C	100	10,59,600	7.92	-	-
CSTRIP GS 12-DEC-2028C	100	10,59,600	7.65	-	-
CSTRIP GS 12-JUN-2029C	100	10,59,600	7.39	-	-
Perpetual Bonds					
Bank of Baroda					
7.95% Bank of Baroda, Non Convertible Perpetual Bond	1,00,00,000	200	197.85	-	-
State Bank of India					
7.72% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	311	306.54	-	-
7.55% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	150	147.52	-	-
8.34% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	100	101.63	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 15.3)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 25th March, 2021	7,500	28,000	-	28,000	-
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16th May, 2021	7,500	52,000	-	52,000	-
IL&FS Financial Services Ltd. (Refer Note 15.3)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. 30th March, 2021	7,500	33,400	-	33,400	-
Unquoted					
Preference Shares					
Tata Capital Limited					
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	7,50,000	75.00	-	-
Total (B)			**5,207.31**		**3,350.68**
Total (A+B)			**5,219.45**		**3,350.68**

Notes Forming Part of Standalone Financial Statements

15.1 Aggregate carrying amount and market value of quoted investments :

(₹ in Crore)

	As at 31.03.2024		As at 31.03.2023	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments	5,144.45	5,144.36	3,350.68	3,350.68

15.2 Aggregate carrying amount of unquoted investments	**75.00**	-

15.3 In August, 2018 credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as "IL&FS Group") credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

NOTE 16 - TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Secured, Considered Good	463.05	461.27
Unsecured		
Considered Good (refer note 41)	466.72	444.78
Which have Significant Increase in Credit Risk	4.72	2.46
	934.49	**908.51**
Less: Allowance for Trade Receivables Which have Significant Increase in Credit Risk	4.72	2.46
	929.77	**906.05**

16.1 Refer Note 46 for information about credit risk and market risk of trade receivables.

16.2 The average payment terms with customers is generally below 45 days.

NOTE 17 - CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks	158.98	3.16
Cash on Hand	2.79	2.90
	161.77	**6.06**

NOTE 18 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Earmarked Balance with Banks for Unpaid Dividend (Refer note 22.1)	4.11	4.29
Margin Money (Pledged with Banks) (Refer note 18.1)	42.13	54.78
Fixed Deposits With Banks (Refer note 18.2)	89.11	72.16
Less: Fixed Deposits Maturity More Than 12 Months Disclosed Under Other Non-Current Financial Assets (Refer note 11)	-	(18.00)
	135.35	**113.23**

18.1 Includes deposits of ₹40.00 crore (As at 31.03.2023 : ₹40.00 crore) are pledged with banks against overdraft facilities. (Refer Note 24.2)

18.2 Includes ₹74.62 crore (As at 31.03.2023 : ₹71.12 crore) given as security to Government department and others.

Notes Forming Part of Standalone Financial Statements

NOTE 19 - SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Authorised		
6,00,00,000 (As at 31.03.2023 : 6,00,00,000) Equity Shares of ₹10/- each	60.00	60.00
15,00,000 (As at 31.03.2023 : 15,00,000) Cumulative Preference Shares of ₹100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at 31.03.2023 : 3,60,80,748) Equity Shares of ₹10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

19.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31.03.2024		As at 31.03.2023	
	Number of Shares held	% of Total Paid-up Equity Share Capital	Number of Shares held	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

19.2 Shares held by promoters are as follows:

Promoters Name	As at 31.03.2024			As at 31.03.2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Promoters						
Harimohan Bangur[1]	4,88,284	1.353%	-	4,88,284	1.353%	-
Prashant Bangur[2]	3,89,750	1.080%	-	3,89,750	1.080%	-
Benu Gopal Bangur	-	-	-	-	-	-
Promoters Group						
Rajkamal Devi Bangur	1,26,100	0.349%	-	1,26,100	0.349%	-
Ranu Bangur	67,700	0.188%	-	67,700	0.188%	-
Riya Puja Jain	2,050	0.006%	-	2,050	0.006%	-
Padma Devi Maheshwari*	-	-	-	-	-	-0.002%
Shree Capital Services Limited	89,84,155	24.900%	-	89,84,155	24.900%	-
Digvijay Finlease Limited	42,34,780	11.737%	-	42,34,780	11.737%	-
Mannakrishna Investments Private Limited	20,42,824	5.662%	-	20,42,824	5.662%	-
Newa Investments Private Limited	13,76,270	3.814%	-	13,76,270	3.814%	-
Ragini Finance Limited	12,68,882	3.517%	-	12,68,882	3.517%	-
Didu Investments Private Limited	11,70,909	3.245%	-	11,70,909	3.245%	-
N.B.I. Industrial Finance Company Limited	8,49,450	2.354%	-	8,49,450	2.354%	-
The Venktesh Co. Limited	4,60,030	1.275%	-	4,60,030	1.275%	-
Rajesh Vanijya Private Limited	3,69,226	1.023%	-	3,69,226	1.023%	-

Notes Forming Part of Standalone Financial Statements

Promoters Name	As at 31.03.2024			As at 31.03.2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
The Didwana Investment Company Limited	3,27,400	0.907%	-	3,27,400	0.907%	-
Asish Creations Private Limited	2,10,737	0.584%	-	2,10,737	0.584%	-
Western India Commercial Co. Limited	2,00,650	0.556%	-	2,00,650	0.556%	-
Total	**2,25,69,197**	**62.552%**	**-**	**2,25,69,197**	**62.552%**	**-0.002%**

* During the year ended 31.03.2023, shareholding of Padma Devi Maheshwari has been reclassified from 'Promoter Group' to 'Public' shareholders in terms of approval granted by the stock exchanges on 4th November, 2022.

[1] Out of the 4,88,284 shares held by Mr. Harimohan Bangur, the beneficial Interest on 10,100 shares is held by the following Trusts/Institution (Belonging to Promoters Group):
- Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares
- Sri Rama Nidhi (Family Deity): 7,100 shares.

[2] Out of the 3,89,750 shares held by Mr. Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group).

19.3 The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

19.4 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.

19.5 Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	Numbers	₹ in Crore
Equity shares outstanding as at 01.04.2022	3,60,80,748	36.08
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31.03.2023	3,60,80,748	36.08
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31.03.2024	3,60,80,748	36.08

	As at 31.03.2024	As at 31.03.2023
19.6 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:	Nil	Nil

19.7 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and annual listing fees has been paid for the year.

NOTE 20 - OTHER EQUITY

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Capital Redemption Reserve	15.00	15.00
Securities Premium	2,408.63	2,408.63
General Reserve	7,000.00	7,000.00
Retained Earnings	10,926.07	8,833.69
Effective Portion of Cash Flow Hedges	(1.29)	(4.96)
	20,348.41	**18,252.36**

20.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

Notes Forming Part of Standalone Financial Statements

NOTE 21 - BORROWINGS

(₹ in Crore)

	Non-Current Portion		Current Maturities	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Secured				
External Commercial Borrowings	-	227.97	231.34	837.79
Indian Rupee Term Loans from Banks	-	339.58	54.58	149.58
Interest Free SGST Loan from Government	14.35	13.32	-	-
Redeemable Non-Convertible, Non-Cumulative Debentures	698.73	-	-	-
	713.08	**580.87**	**285.92**	**987.37**
Amount disclosed under the head Current Borrowings (Refer Note 24)	-	-	(285.92)	(987.37)
	713.08	**580.87**	**-**	**-**

21.1 Nature of securities and terms of repayment of each loan:

(₹ in Crore)

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2024	Loan Amount as at 31.03.2023	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months USD LIBOR+0.70% as on 31.03.2023 & upto 28.09.2023 3 Months Cumulative Compounded SOFR+0.26161%+ 0.70% w.e.f. 29.09.2023 (Fixed rate of 7.81% on ₹ including the effect of related cross currency and interest rate swaps)	231.34	455.93	Repayable in 2 half yearly equal instalments of USD 1.389 crore w.e.f. 28.09.2024.
		3 Months USD LIBOR+0.71% as on 31.03.2023 & upto 27.09.2023 3 Months Cumulative compounded SOFR+0.26161%+ 0.71% w.e.f. 28.09.2023 (Fixed rate of 7.82% on ₹ including the effect of related cross currency and interest rate swaps)	-	246.25	Fully repaid in FY 2023-24
		2.72% on SGD (Fixed rate of 7.96% on ₹ including the effect of related cross currency and interest rate swaps [USD to ₹])	-	363.58	Fully repaid in FY 2023-24
	Indian Rupee Term Loans from Banks				
2	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	1/2/3 Months T-Bill rate (as decided by borrower on each interest reset date) +1.20%.	-	380.00	Full prepayment made in FY 2023-24
		91 days T-Bill rate +1.21%	54.58	109.16	Repayable as on 31.03.2025
	Interest free SGST Loan from Government				
3	Secured by bank guarantee	Interest free loan	14.35	13.32	Repayable on 16.08.2032 & 26.03.2033.

Notes Forming Part of Standalone Financial Statements

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2024	Loan Amount as at 31.03.2023	Terms of Repayment
	Redeemable Non-Convertible, Non-Cumulative Debentures				
4	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term/ ECB lenders.	7.80% per annum payable annually	698.73	-	Repayable on 26.10.2030
	TOTAL		**999.00**	**1,568.24**	
	Less: Current Maturities of Long Term Debt		285.92	987.37	
	Total Non-Current Portion		**713.08**	**580.87**	

There is no default in repayment of principal and interest thereon.

NOTE 22 - FINANCIAL LIABILITIES - OTHERS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Interest Accrued but not Due on Borrowings	-	-	28.96	3.32
Derivative Financial Instruments	-	-	3.30	14.79
Unpaid Dividends (Refer Note 22.1)	-	-	4.11	4.29
Security Deposits from Customers, Vendors & Others	139.22	159.35	869.07	865.66
Payable for Capital Goods	-	-	148.17	121.62
Others (Refer Note 22.2)	-	-	595.31	431.38
	139.22	**159.35**	**1,648.92**	**1,441.06**

22.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at 31.03.2024 and 31.03.2023 (Refer note 18).

22.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

NOTE 23 - PROVISIONS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for Employee Benefits				
Gratuity [Refer note 38(b)]	-	-	0.51	-
Other Staff Benefit Schemes	3.48	4.28	2.21	1.80
Other Provisions				
Mines Reclamation Expenses (Refer Note 39)	8.80	8.71	0.60	0.66
	12.28	**12.99**	**3.32**	**2.46**

Notes Forming Part of Standalone Financial Statements

NOTE 24- CURRENT BORROWINGS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Secured		
Loans Repayable on Demand from Banks (Refer Note 24.1)	148.48	939.78
Bank Overdraft (Refer Note 24.2)	27.18	31.15
Current Maturities of Long-Term Debt	285.92	987.37
Unsecured		
Loans Repayable on Demand from Banks	299.00	-
	760.58	**1,958.30**

24.1 Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

24.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 18.1)

24.3 There is no default in repayment of principal and interest thereon.

24.4 Quarterly returns/ statements of current assets filed by the Company with banks/ financial institutions are in agreement with the books of accounts.

NOTE 25 - OTHER LIABILITIES

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Customers Advances (Refer Note 25.1)	-	-	296.92	265.65
Deferred Income on Government Grants	5.05	-	2.80	-
Liabilities towards dealer incentives (Refer Note 25.2)	-	-	469.97	272.66
Statutory Liabilities (Refer Note 25.3)	16.92	-	1,225.41	1,122.06
	21.97	**-**	**1,995.10**	**1,660.37**

25.1 Revenue of ₹249.52 crores (for the year ended 31.03.2023 : ₹216.83 crores) is recognised during current financial year that was included in customer advances outstanding at the beginning of the year.

25.2 Liabilities towards dealer incentives relates to in kind discounts granted to the customers as part of sales transactions.

25.3 Includes liabilties related to GST, TDS, Provident Fund and other statutory liabilites etc.

NOTE 26 - REVENUE FROM OPERATIONS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Sale of Products		
Sale of Manufactured Goods	17,124.56	15,576.70
Power Sales	1,611.99	826.56
Traded Goods and Others	471.31	42.52
	19,207.86	**16,445.78**
Other Operating Revenue		
Incentives and Subsidies (Under Various Incentive Schemes of State and Central Government)	153.95	124.98
Scrap Sales	44.22	53.47
Insurance Claims	19.07	8.01
Provision No Longer Required	3.21	75.28
Balances Written Back	31.26	26.93
Others	125.96	103.04
	377.67	**391.71**
	19,585.53	**16,837.49**

26.1 Sale of products is net of ₹1,744.86 crore (for the year ended 31.03.2023 : ₹1,358.02 crore) on account of cash discount, rebates and incentives given to customers.

Notes Forming Part of Standalone Financial Statements

NOTE 27 - OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Income		
On Deposits Classified at Amortised cost	14.75	10.74
On Investments Classified at Amortised cost	166.91	220.94
On Investments Classified at Fair Value Through Profit or Loss	52.96	51.14
On Tax Refund	12.23	1.93
Others	3.63	0.70
Dividend Income on Investments Classified at Fair Value through Profit or Loss	5.50	5.50
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	(22.82)	(4.78)
Classified at Fair Value through Profit or Loss	5.09	0.50
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	317.45	135.46
Profit on Sale of Property, Plant and Equipment (Net)	4.95	8.56
Other Miscellaneous Income	0.44	0.82
	561.09	**431.51**

NOTE 28 - COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Raw Materials Consumed		
Gypsum	196.52	209.51
Fly Ash	524.36	524.94
Red Ochre and Slag	122.60	134.44
Sulphuric Acid	73.16	51.25
Others	548.84	379.75
	1,465.48	**1,299.89**

NOTE 29 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Closing Stock		
Work-in-Progress	367.50	331.66
Finished Goods	139.03	112.72
Stock-in-Trade	4.54	0.05
	511.07	**444.43**
Opening Stock		
Work-in-Progress	331.66	277.67
Finished Goods	112.72	88.23
Stock-in-Trade	0.05	0.01
	444.43	**365.91**
(Increase) / Decrease	**(66.64)**	**(78.52)**

Notes Forming Part of Standalone Financial Statements

NOTE 30 - EMPLOYEE BENEFITS EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Salaries, Wages and Bonus (Refer note 38)	811.63	748.10
Contribution to Provident and other Funds (Refer note 38)	103.79	98.76
Staff Welfare Expenses	22.52	18.92
	937.94	**865.78**

NOTE 31 - FREIGHT AND FORWARDING EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
On Finished Products	3,134.16	2,732.06
On Inter Unit Clinker Transfer	897.89	1,001.17
	4,032.05	**3,733.23**

NOTE 32 - FINANCE COSTS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Expenses at Amortised Cost	241.88	258.38
Bank and Other Finance Charges	3.11	2.95
Interest Expenses on Lease Liabilities	18.27	14.73
Unwinding of Interest on Interest free SGST loan from Government/ Deferred Liabilities	1.11	0.57
Unwinding of Discount on Provision/ Liabilities	0.66	0.61
	265.03	**277.24**
Less: Interest Capitalised (Refer Note 32.1)	0.70	8.31
	264.33	**268.93**

32.1 During the year ended 31.03.2024, borrowing costs are capitalised using interest rate in the range of 6.00% to 7.80% per annum (for the year ended 31.03.2023 : 4.88% to 7.59% per annum).

Notes Forming Part of Standalone Financial Statements

NOTE 33 - OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Stores and Spares Consumed	499.19	461.85
Packing Materials Consumed	523.33	554.90
Royalty and Cess	394.07	337.70
Mines Reclamation Expenses	0.54	0.75
Repairs to Plant and Machinery, Buildings & Others	550.11	426.66
Insurance	17.59	14.30
Rates and Taxes	18.05	28.82
Travelling	59.81	43.55
Legal and professional fees	71.09	74.93
Commission to Non-executive Directors	1.65	1.96
Directors' Sitting Fees and Expenses	0.36	0.64
Advertisement and Publicity	159.55	138.04
Sales Promotion and Other Selling Expenses	295.78	268.87
Foreign Exchange Rate Differences (Net)	(1.22)	(5.65)
Corporate Social Responsibility Expenses (Refer Note 33.1)	51.34	69.99
Assets Written Off	0.20	9.89
Bad Debts Written Off	1.51	0.58
Allowance for Doubtful Trade Receivables (Net)	2.26	0.18
Contribution to Political Parties	1.52	-
Miscellaneous (Refer Note 33.2)	146.27	113.77
	2,793.00	**2,541.73**

33.1 Details of Corporate Social Responsibility ("CSR") Expenses:

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended 31.03.2024 is ₹56.20 crore (for the year ended 31.03.2023 : ₹56.03 crore).

(b) The Company has spent ₹51.34 crore (for the year ended 31.03.2023 : ₹69.99 crore) on the various Corporate Social Responsibility Activities. There is excess CSR expenses of ₹9.10 crore as on 31.03.2024 (₹13.96 crore as on 31.03.2023).

(c) The projects/ activities undertaken by the Company in the field of Corporate Social Responsibility fall within the broad framework of schedule VII to the Companies Act, 2013 which interalia include education, healthcare, sustainable livelihood, woman empowerment, rural and infrastructure development, environment protection, support widows/ dependents of martyrs of arm forces and promotion of art & culture, epitomising a holistic approach to inclusive growth.

(d) Refer Note 41 for related party transactions in relation to Corporate Social Responsibility Expenses.

33.2 Miscellaneous Expenses include the payments made to Auditors:

Statutory Auditors		
Audit Fees	0.59	0.54
Tax Audit Fees	0.18	0.18
Certification / Other Services	0.13	0.16
Reimbursement of Expenses	0.07	0.09
Cost Auditors		
Audit Fees	0.06	0.06
Reimbursement of Expenses - ₹47,903 (For the year ended 31.03.2023 - ₹22,418)	-	-

Notes Forming Part of Standalone Financial Statements

NOTE 34 - CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹76.62 crore (As at 31.03.2023: ₹74.20 crore).

b. (i) Competition Commission of India (CCI), vide its order dated 31st August, 2016 imposed a penalty of ₹397.51 crore on the Company for alleged violation of provisions of the Competition Act, 2002. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7th November, 2016, granted stay on CCI's order subject to deposition of 10% of penalty amount and payment of balance amount of penalty with interest @ 12% per annum from the date of CCI's order if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

(ii) In another matter, CCI vide its order dated 19th January, 2017 imposed a penalty of ₹18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. On the Company's appeal against the said order, COMPAT granted stay on the operation of the said CCI order. The matter is now listed before NCLAT and pending for hearing.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

c. The Divisional Bench of the Hon'ble Rajasthan High Court vide Judgement dated 6th December, 2016 has allowed the appeal filed by Commercial Taxes Department/Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of the Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits.

The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before the Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹37.84 crore received and ₹317.54 crore not received though accounted for.

NOTE 35 - COMMITMENTS

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹1,586.96 crore (As at 31.03.2023: ₹1,386.58 crore).

b. Uncalled liability on partly paid up equity shares of ₹47.24 Crore (As at 31.03.2023: ₹109.31 Crore).

NOTE 36 - Capital Work-in-Progress ("CWIP")

a. Capital work in progress includes directly attributable expenses of ₹124.86 crore (As at 31.03.2023: ₹278.44 crore) which includes depreciation of ₹35.12 crore (as at 31.03.2023: ₹125.37 crore) on assets during construction period.

b. Movement in CWIP Balances is as follows:

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	2,320.25	972.91
Add: Additions in CWIP during the year	2,353.87	2,632.25
Less: Capitalized to Property, plant and equipment during the year	2,841.37	1,284.91
Closing Balance	**1,832.75**	**2,320.25**

Notes Forming Part of Standalone Financial Statements

c. **Ageing of CWIP is as follows:**

(₹ in Crore)

As at 31.03.2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,515.55	236.74	74.21	6.25	1,832.75
Projects temporarily suspended	-	-	-	-	-

As at 31.03.2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,969.94	324.76	21.63	3.92	2,320.25
Projects temporarily suspended	-	-	-	-	-

d. There is no project in capital work in progress as on 31.03.2024 and 31.03.2023 which has been delayed from original plan.

NOTE 37 - EXPENDITURE ON RESEARCH AND DEVELOPMENT:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Capital	39.58	12.02
Revenue	19.20	25.81
Total	**58.78**	**37.83**

NOTE 38 - EMPLOYEE BENEFITS: (REFER NOTE 30)

(a) Contribution to defined contribution plans recognized as expenses are as under:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Superannuation Fund	10.07	10.42
Provident Fund (Includes contribution to PF trust of ₹6.52 crore for the year ended 31.03.2023)	66.08	62.65
National Pension Scheme	7.22	6.21
ESIC	0.25	0.27
Total	**83.62**	**79.55**

(b) Defined Benefit Plan

Gratuity - The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

Disclosure for defined benefit plans based on actuarial reports:

Notes Forming Part of Standalone Financial Statements

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	349.08	321.78
Current service cost	32.20	28.66
Interest cost	24.48	21.22
Re-measurements (gains)/losses	(2.24)	(3.35)
Benefits paid	(17.97)	(19.23)
Present Value of Defined Benefit Obligation at the end of the year	**385.55**	**349.08**
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	349.08	321.04
Expected return on plan assets	25.44	21.93
Re-measurements gains/(losses)	2.05	3.13
Contribution by employer	26.44	22.21
Benefits paid	(17.97)	(19.23)
Fair Value of Plan Assets at the end of the year	**385.04**	**349.08**
Expenses Recognized in the Statement of Profit and Loss		
Current service cost	32.20	28.66
Interest cost	24.48	21.22
Expected return on plan assets	(25.44)	(21.93)
Expenses Recognized in the Statement of Profit and Loss	**31.24**	**27.95**
Expenses recognized in Other Comprehensive Income (OCI)		
Return on plan assets (excluding amount included in net Interest expense)	(2.05)	(3.13)
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	18.97	18.13
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(21.21)	(21.48)
Total recognized in Other Comprehensive Income	**(4.29)**	**(6.48)**
Total recognized in Total Comprehensive Income	**26.95**	**21.47**
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligations	385.55	349.08
Fair Value of Plan Assets	385.04	349.08
Net Liability	0.51	0.00*
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

*₹33,000

The Principal actuarial assumption used:

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Discount Rate	7.00 % per annum	7.20 % per annum
Salary Escalation Rate	13.65 % per annum	13.40 % per annum
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Expected Rate of Return	7.00 % per annum	7.20 % per annum
Withdrawal Rate (Per Annum)	3.00% p.a.(18 to 30 Years)	3.00% p.a.(18 to 30 Years)
Withdrawal Rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)
Withdrawal Rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Notes Forming Part of Standalone Financial Statements

The Gratuity Scheme is invested in group gratuity-cum-life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31.03.2024 are as follows:

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations	(41.33)	49.75	46.14	(39.45)	(17.64)	20.51

Sensitivity Analysis for significant assumptions as on 31.03.2023 are as follows:

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations	(37.98)	45.74	42.62	(36.38)	(15.49)	18.03

The Company expects to contribute ₹25.00 Crore (Previous year: ₹25.00 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligations as at 31.03.2024 is 9 years (as at 31.03.2023: 9 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Within next 1 year	16.61	16.33
Between 1 and 2 years	17.03	13.90
Between 2 and 3 years	21.70	14.36
Between 3 and 4 years	23.53	21.34
Between 4 and 5 years	72.85	25.06
5 years onwards	1056.43	977.25

(c) Provident fund managed by a trust set up by the Company:

The provident fund trust ("PF trust") managed by the Company has been surrendered to 'Employee Provident Fund Organisation' ("EPFO") w.e.f. 1st April, 2023. Accordingly, the entire corpus and related liability has since been transferred by PF Trust to EPFO and thus there is no liability owed or plan assets owned by the PF trust w.e.f. 1st April, 2023.

(d) Amount recognized as an expense in respect of leave encashment and compensated absence are ₹21.25 crore (₹18.78 crore for year ended 31.03.2023).

NOTE 39 - PROVISION FOR MINES RECLAMATION EXPENSES

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**9.37**	**8.66**
Add: Provision made during the year (Refer Note 33)	0.54	0.75
Add: Unwinding of discount of provision (Refer Note 32)	0.66	0.61
Less: Utilized during the year	1.17	0.65
Closing Balance	**9.40**	**9.37**

Notes Forming Part of Standalone Financial Statements

NOTE 40 - SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information is given below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue from Operations		
Within India	19,263.02	16,827.35
Outside India	322.51	10.14
Total	**19,585.53**	**16,837.49**

All the non-current assets (Property, plant and equipment, capital work-in-progress, intangible assets, right of use assets and other non-current assets) of the Company are within India.

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

NOTE 41 - RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) For Company's principal shareholders, Refer Note No. 19.

(b) Subsidiaries:

Sr. No.	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
			As at 31.03.2024	As at 31.03.2023
1.	Shree Global FZE (Direct Subsidiary Company)	UAE	100%	100%
2.	Shree International Holding Ltd. (Indirect Subsidiary Company)	UAE	100%	100%
3.	Shree Enterprises Management Ltd. (Indirect Subsidiary Company)	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
4.	Union Cement Company PJSC (Indirect Subsidiary Company)	UAE	98.35%	98.33%
5.	U C N Co Ltd. L.L.C. (Indirect Subsidiary Company)	UAE	98.35%*	99.00%*
6.	Raipur Handling and Infrastructure Private Limited (Direct Subsidiary Company)	India	100%	100%
7.	Shree Cement East Bengal Foundation	India	52%	52%
8.	Shree Cement North Private Limited (Direct Subsidiary Company)	India	100%	100%
9.	Shree Cement East Private Limited (Direct Subsidiary Company)	India	100%	100%
10.	Shree Cement South Private Limited (Direct Subsidiary Company)	India	100%	100%

*Effective holding

(c) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i) The Kamla Company Limited
(ii) Shree Capital Services Ltd.
(iii Aqua Infra Project Limited
(iv) Alfa Buildhome Pvt. Ltd.
(v) Rajasthan Forum
(vi) The Bengal
(vii) 'Education For All' Trust

Notes Forming Part of Standalone Financial Statements

(viii) Shree Foundation Trust
(ix) Suryadewata Properties Private Limited
(x) Arnavi Green Building Materials Private Limited (Formerly known as 'Ashtech Buildpro India Private Limited')
(xi) Global Smart Comtrade Pte. Limited (w.e.f. 13.01.2023)
(xii) ASAT Logistics Private Limited (w.e.f. 15.05.2023)

(d) Key Management Personnel:

(i) Shri H.M. Bangur Chairman
(ii) Shri Prashant Bangur Vice Chairman
(iii) Shri Neeraj Akhoury Managing Director (w.e.f. 14.10.2022)
(iv) Shri P.N. Chhangani Whole Time Director (up to 13.02.2023)

(e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund (refer note 38(c))
(ii) Shree Cement Employees Group Gratuity Scheme
(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) Details of transactions with related parties:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Equity Contributions		
Shree Cement East Private Limited	150.00	450.00
Raipur Handling and Infrastructure Private Limited	80.00	-
Shree Cement North Private Limited	10.00	33.90
Shree Cement South Private Limited	2.07	40.79
Sale of Goods/Material		
Union Cement Company PJSC	318.04	10.05
Shree Cement East Private Limited	130.60	33.00
Shree Cement North Private Limited	9.28	0.03
Raipur Handling and Infrastructure Private Limited	0.86	2.39
Arnavi Green Building Materials Private Limited	9.59	5.64
Sale of Land/assets		
Shree Cement East Private Limited	2.89	48.52
Alfa Buildhome Pvt. Ltd.	-	0.39
Purchase of assets		
Shree Cement East Private Limited	7.18	-
Purchase of Goods/Material		
Shree Cement East Private Limited	95.90	0.08
Raipur Handling and Infrastructure Private Limited	0.09	0.78
Union Cement Company PJSC	-	7.79
Aqua Infra Projects Ltd.	-	0.30
Arnavi Green Building Materials Private Limited	3.02	0.21
Global Smart Comtrade Pte. Limited	323.11	-
Services Received		
Shree Cement South Private Limited	0.82	0.38
Raipur Handling and Infrastructure Private Limited	94.82	54.81
Shree Cement East Private Limited	0.14	-
Shree Cement East Bengal Foundation	-	7.52
The Kamla Company Limited	0.69	0.69
Alfa Buildhome Pvt. Ltd.	3.39	2.42

Notes Forming Part of Standalone Financial Statements

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Aqua Infra Projects Ltd.	0.05	0.08
Suryadewata Properties Pvt. Ltd.	1.20	0.39
ASAT Logistics Pvt. Ltd.	99.36	-
Shree Capital Services Ltd.	0.53	0.50
Services Given		
Shree Cement East Private Limited	13.08	15.01
Shree Cement North Private Limited	-**	-**
Shree Cement South Private Limited	-***	-***
Raipur Handling and Infrastructure Private Limited	0.05	0.04
ASAT Logistics Pvt. Ltd.	0.04	-
Interest Income on Loan		
Shree Cement North Private Limited	1.56	-
Shree Cement East Private Limited	1.51	-
Raipur Handling and Infrastructure Private Limited	0.52	-
Shree Cement East Bengal Foundation	0.02	0.30
Shree Cement South Private Limited	-	0.12
Contributions Towards Corporate Social Responsibilities		
Shree Cement East Bengal Foundation	-	1.55
Shree Foundation Trust	19.15	37.90
Education For All	2.28	2.25
Rajasthan Forum	2.67	1.99
The Bengal	5.13	4.23
Loan Given		
Shree Cement North Private Limited	90.00	-
Shree Cement East Private Limited	35.00	-
Raipur Handling and Infrastructure Private Limited	30.00	-
Shree Cement South Private Limited	0.01	36.92
Repayment Received of Loan Given		
Shree Cement East Private Limited	2.75	-
Raipur Handling and Infrastructure Private Limited	30.00	-
Shree Cement East Bengal Foundation	1.98	18.77
Shree Cement South Private Limited	0.01	36.92
Capital Advance Given		
Alfa Buildhome Pvt. Ltd.	-	4.70
Deposit Given		
Alfa Buildhome Pvt. Ltd.	0.13	-
Suryadewata Properties Pvt. Ltd.	-	0.20
Reimbursement received for payment made on behalf of:		
Shree Cement South Private Limited	-	0.43
Shree Cement East Private Limited	-	0.17
Reimbursement given for payment made on behalf of the Company by:		
Alfa Buildhome Pvt. Ltd.	-*	-*

* ₹15,834 (₹31,233 for the year ended 31st March, 2023)
** ₹11,489 (₹5,586 for the year ended 31st March, 2023)
*** ₹27,651 (₹8,172 for the year ended 31st March, 2023)

Notes Forming Part of Standalone Financial Statements

(b) Details of Balances with Related Parties:

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposit Receivable		
Alfa Buildhome Pvt. Ltd.	0.76	0.63
Suryadewata Properties Pvt. Ltd.	0.20	0.20
Loan Receivable		
Shree Cement East Private Limited	32.25	-
Shree Cement North Private Limited	90.00	-
Shree Cement East Bengal Foundation	-	1.98
Interest Receivable		
Shree Cement East Private Limited	1.36	-
Shree Cement East Bengal Foundation	-	0.02
Capital Advances		
Alfa Buildhome Pvt. Ltd.	4.70	4.70
Trade and other receivables		
Shree Cement East Private Limited	25.19	-
ASAT Logistics Pvt. Ltd.	0.24	-

(c) Key Management Personnel:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Short Term Benefits	103.49	94.88
Post - Employment Benefits*	5.96	7.54
Total	**109.45**	**102.42**

* As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Information on Transactions with Post-Employment Benefit Plans

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Contribution (including related insurance premium) paid/ payable		
Shree Cement Staff Provident Fund	-	6.52
Shree Cement Ltd., Superannuation Scheme	10.07	10.42
Shree Cement Employees Group Gratuity Scheme	27.07	23.03

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. There is no loss allowance required to be recognized for related party receivables as on 31.03.2024 and 31.03.2023.

Notes Forming Part of Standalone Financial Statements

NOTE 42 - EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Profit Before Tax	3,045.63	1,558.64
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,064.26	544.65
Increase/(Reduction) in Taxes on Account of:		
Additional Allowances for Tax Purpose	(13.83)	(4.20)
Items not Deductible for Tax/not Liable to Tax (Net)	(439.26)	(152.97)
Tax losses Unutilized / Items Taxed at Different Rate	(54.26)	(6.35)
Tax Expense Relating to Earlier Years (Net)	-	(13.07)
MAT credit Relating to Earlier Years	-	(141.21)
Others	20.28	3.66
Income Tax Expense Reported	**577.19**	**230.51**

NOTE 43 - CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES, INCLUDING BOTH CHANGES ARISING FROM CASH FLOWS AND NON- CASH CHANGES AS PER IND AS 7- STATEMENT OF CASH FLOWS ARE SHOWN BELOW:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance of Borrowings (excluding Bank Overdraft)	**2,508.02**	**1,993.33**
Changes from Financing Cash Flows due to Proceeds From / (Repayment) of Borrowings	(962.22)	454.84
The Effect of Changes in Foreign Exchange Rates	(101.48)	71.73
Amortization of Transaction Cost on Borrowings	1.14	1.55
Gain on Fair Value of Interest Free SGST Loan from Government	-	(14.00)
Unwinding of Interest on Interest free SGST loan from Government	1.02	0.57
Closing Balance of Borrowings (excluding Bank Overdraft)	**1,446.48**	**2,508.02**

NOTE 44 - CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2024 as compared to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity, and debt comprises of long term borrowings including current maturities of these borrowings.

Notes Forming Part of Standalone Financial Statements

The following table summarizes long term debt and equity of the Company:

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Equity Share Capital	36.08	36.08
Other Equity	20,348.41	18,252.36
Total Equity	**20,384.49**	**18,288.44**
Long Term Debt (Including Current Maturities)	999.00	1,568.24
Debt to Equity Ratio	**0.05**	**0.09**

NOTE 45 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Amortized Cost				
Investments in Bonds and Debentures	1,756.67	1,801.78	3,225.57	3,228.64
Loans	129.27	129.27	10.58	10.58
Trade Receivables	929.77	929.77	906.05	906.05
Cash and Cash Equivalents and Other Bank Balances	297.12	297.12	119.29	119.29
Other Financial Assets	279.90	279.90	295.50	295.50
Financial Assets Classified at Fair Value through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Exchange Traded Fund and STRIPS issued by the Government of India	5,207.31	5,207.31	4,955.73	4,955.73
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	30.19	30.19	133.42	133.42
Forward Contracts	1.95	1.95	5.63	5.63
Total Financial Assets	**8,632.18**	**8,677.29**	**9,651.77**	**9,654.84**
Financial Liabilities Classified at Amortized Cost				
Non-Current Borrowings at Floating Rate	-	-	567.55	567.55
Non-Current Borrowings at Fixed Rate	698.73	733.94	-	-
Interest free SGST loan from government	14.35	14.35	13.32	13.32
Lease Liabilities	278.64	278.64	271.96	271.96
Short Term Borrowings	760.58	760.58	1,958.30	1,958.30
Trade Payables	1,064.03	1,064.03	1,128.70	1,128.70
Other Financial Liabilities	1,784.84	1,784.84	1,585.62	1,585.62
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	-	-	5.04	5.04
Forward Contracts	3.30	3.30	9.75	9.75
Total Financial Liabilities	**4,604.47**	**4,639.68**	**5,540.24**	**5,540.24**

Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

Notes Forming Part of Standalone Financial Statements

NOTE 45 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings and interest free SGST loan from government approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non- performance for the Company is considered to be insignificant in valuation.

c) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments, exchange traded fund and STRIPS issued by the Government of India.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and financial liabilities grouped into Level 1 to Level 3 as described below:

Assets and Liabilities Classified at Fair Value (Accounted)

(₹ in Crore)

Particulars	As at 31.03.2024			
	Level 1	Level 2	Level 3	Total
Financial Assets Classified at Fair Value				
Investments				
Mutual funds	2,693.66	-	-	2,693.66
Preference Shares	-	75.00	-	75.00
Exchange Traded Funds	1,569.47	-	-	1,569.47
Perpetual Bonds	-	753.54	-	753.54
STRIPS issued by the Govt. of India	115.64	-	-	115.64
Derivatives Designated as Hedges	-	32.14	-	32.14
Financial Liabilities Classified at Fair Value				
Derivatives Designated as Hedges	-	3.30	-	3.30

Notes Forming Part of Standalone Financial Statements

NOTE 45 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

(₹ in Crore)

Particulars	As at 31.03.2023			
	Level 1	Level 2	Level 3	Total
Financial Assets Classified at Fair Value				
Investments				
Mutual funds	2,519.74	-	-	2,519.74
Preference Shares	-	73.53	-	73.53
Exchange Traded Funds	1,602.55	-	-	1,602.55
Perpetual Bonds	-	652.59	-	652.59
STRIPS issued by the Govt. of India	107.32	-	-	107.32
Derivatives Designated as Hedges	-	139.05	-	139.05
Financial Liabilities Classified at Fair Value				
Derivatives Designated as Hedges	-	14.79	-	14.79

Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

(₹ in Crore)

Particulars	As at 31.03.2024			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	1,801.78	-	1,801.78
Loans	-	129.27	-	129.27
Other Financial Assets	-	279.90	-	279.90
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	733.94	-	733.94
Interest free SGST loan from government	-	14.35	-	14.35
Lease Liabilities	-	278.64	-	278.64
Other Financial Liabilities	-	1,784.84	-	1,784.84

(₹ in Crore)

Particulars	As at 31.03.2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	3,228.64	-	3,228.64
Loans	-	10.58	-	10.58
Other Financial Assets	-	295.50	-	295.50
Financial Liabilities				
Interest free SGST loan from government	-	13.32	-	13.32
Lease Liabilities	-	271.96	-	271.96
Other Financial Liabilities	-	1,585.62	-	1,585.62

During the year ended 31.03.2024 and 31.03.2023, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2024 and 31.03.2023:

Notes Forming Part of Standalone Financial Statements

NOTE 45 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market Valuation Techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments - Cross Currency and Interest Rate Swaps	Level 2	Market Valuation Techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments – Forward Contracts	Level 2	Market Valuation Techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments - Cross Currency and Interest Rate Swaps	Level 2	Market Valuation Techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments - Forward Contracts	Level 2	Market Valuation Techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market Valuation Techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Interest free SGST loans from government – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market Risk and Sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because

Notes Forming Part of Standalone Financial Statements

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and liabilities held as at 31.03.2024 and 31.03.2023.

The sensitivity analysis excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non- financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities expose it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates.

Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its foreign currency denominated floating interest rate foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to foreign currency denominated floating interest rate as on 31.03.2024 and 31.03.2023. Following is the interest rate sensitivity for unhedged exposure of Indian Rupee denominated floating interest rate borrowing:

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Impact on profit before tax due to increase in 50 basis points	(0.27)	(2.45)
Impact on profit before tax due to decrease in 50 basis points	0.27	2.45

Foreign Currency Risk and Sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore exposed to foreign currency exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non- designated foreign currency derivatives.

The following tables demonstrate the sensitivity in the USD, EURO, GBP and AED to the Indian Rupee with all other variable held constant.

For the year ended 31.03.2024

Particulars	Effect on Profit Before Tax (₹ in crore)		
	USD	GBP	EUR
Change in Currency Exchange Rate			
+5%	(0.40)	(0.01)	(0.36)
-5%	0.40	0.01	0.36

For the year ended 31.03.2023

Particulars	Effect on Profit Before Tax (₹ in crore)		
	USD	GBP	AED
Change in Currency Exchange Rate			
+5%	(0.99)	-**	(0.01)
-5%	0.99	-*	0.01

* ₹38,712 ** ₹(38,712)

Notes Forming Part of Standalone Financial Statements

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit Risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

The ageing of trade receivables is as below:

(₹ in Crore)

Particulars	Neither Due nor Impaired	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024							
Undisputed							
-Considered Good	661.95	259.09	6.57	1.41	0.59	0.16	929.77
-Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
-Considered Good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	1.04	1.95	0.37	0.04	1.32	4.72
Gross Total	**661.95**	**260.13**	**8.52**	**1.78**	**0.63**	**1.48**	**934.49**
Less: Allowance for trade receivables which have significant increase in credit risk							4.72
Net Total	**661.95**	**260.13**	**8.52**	**1.78**	**0.63**	**1.48**	**929.77**
As at 31.03.2023							
Undisputed							
-Considered Good	616.68	284.81	2.09	0.76	0.20	1.51	906.05
-Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
- Considered Good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	0.42	0.06	0.21	0.62	1.15	2.46
Gross Total	**616.68**	**285.23**	**2.15**	**0.97**	**0.82**	**2.66**	**908.51**
Less: Allowance for trade receivables which have significant increase in credit risk							2.46
Net Total	**616.68**	**285.23**	**2.15**	**0.97**	**0.82**	**2.66**	**906.05**

Notes Forming Part of Standalone Financial Statements

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Movement in Allowance for trade receivables which have significant increase in credit risk are given below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**2.46**	**2.28**
Add: Provision made during the year (Refer note 33)	3.16	0.18
Less: Utilized during the year	0.90	-
Closing Balance	**4.72**	**2.46**

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹8,629.39 crore as at 31.03.2024 and ₹9,648.87 crore as at 31.03.2023, which is the carrying amounts of cash and cash equivalents (excluding cash on hand), other bank balances, investments (other than equity investments in subsidiary), trade receivables, loans and other financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables and other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at 31.03.2024

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	760.83	-	726.76	1,487.59
Lease Liabilities	155.91	135.91	14.69	306.51
Trade Payables	1,064.03	-	-	1,064.03
Derivative Financial Instruments	3.30	-	-	3.30
Other Financial Liabilities	1,645.62	139.22	-	1,784.84
Total	**3,629.69**	**275.13**	**741.45**	**4,646.27**

As at 31.03.2023

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	1,959.11	567.96	26.76	2,553.83
Lease Liabilities	105.92	191.99	7.57	305.48
Trade Payables	1,128.70	-	-	1,128.70
Derivative Financial Instruments	14.79	-	-	14.79
Other Financial Liabilities	1,426.27	159.35	-	1,585.62
Total	**4,634.79**	**919.30**	**34.33**	**5,588.42**

Notes Forming Part of Standalone Financial Statements

NOTE 47 - DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instruments outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2024	As at 31.03.2023
Forward Contracts	Imports	USD	7.75	15.77
		JPY	1.10	-
		EURO	2.43	1.00
		CHF	0.03	-
		AED	1.97	3.06
Cross Currency & Interest Rate Swaps	ECB	SGD	-	5.89
Interest Rate Swaps	ECB	USD	2.78	8.56
Cross Currency Swaps	ECB	USD	2.78	13.06

Cash Flow Hedges

The objective of cross currency & interest rate swaps and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. These forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and interest rate swaps and foreign currency forward contracts based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument.

ii. The effect of credit risk.

iii. Assessment of the hedge ratio.

The Company designates cross currency & interest rate swaps and interest rate swaps and foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 21 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above derivatives are as under:

(₹ in Crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swaps	30.19	-	133.42	5.04
Forward Contracts	1.95	3.30	5.63	9.75

Notes Forming Part of Standalone Financial Statements

NOTE 47 - DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

The movement of effective portion of cash flow hedges is shown below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**(4.96)**	**(14.91)**
Gain/(loss) recognized on cash flow hedges	(127.49)	40.89
Income tax relating to gain/(loss) recognized on cash flow hedges	44.56	(14.30)
Reclassified to Profit or Loss #	117.53	(40.30)
Income tax relating to Reclassified to Profit or Loss	(41.08)	14.08
Amount transferred to initial cost of non-financial asset	15.60	14.72
Income tax relating to amount transferred to initial cost of non-financial asset	(5.45)	(5.14)
Closing Balance	**(1.29)**	**(4.96)**

Includes ₹102.70 crore (for the year ended 31.03.2023: ₹(91.59) crore) to Foreign Exchange Rate Differences, ₹14.83 crore (for the year ended 31.03.2023: ₹51.29 crore) to Finance Cost.

NOTE 48 - COLLATERALS

Inventory, Trade Receivables, Other Current Assets, some of the fixed deposits, Property, Plant and Equipment are hypothecated / mortgaged/ pledged as collateral/security against the borrowings (Refer Note 21 and 24). Additionally, some of the investments were pledged against working capital facilities as at 31.03.2023.

NOTE 49 - EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		For the year ended 31.03.2024	For the year ended 31.03.2023
Profit or Loss attributable to ordinary Equity shareholders	₹ in crore	2,468.44	1,328.13
Equity Share Capital	₹ in crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	3,60,80,748	3,60,80,748
Earnings Per Share – Basic and Diluted	₹	684.14	368.10

B. Cash EPS: (Profit for the year+ Depreciation and Amortisation Expenses +Deferred Tax excluding MAT credit related to earlier years)/ Weighted average number of equity shares outstanding.

Notes Forming Part of Standalone Financial Statements

NOTE 50 - Disclosure of loans & advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

(₹ in Crore)

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Shree Cement East Bengal Foundation (note 50.1)	-	1.98	-	20.75	-	-
Shree Cement South Private Limited (note 50.2)	-	-	0.01	36.35	-	-
Raipur Handling and Infrastructure Private Limited (note 50.2)	-	-	30.00	-	-	-
Shree Cement East Private Limited (note 50.3)	32.25	-	35.00	-	-	-
Shree Cement North Private Limited (note 50.4)	90.00	-	90.00	-	-	-

50.1 Unsecured Loan repayable on demand at interest rate in the range of 8% per annum as at 31.03.2023. This constitutes 18.72% of total loans given as at 31.03.2023. Loan given for meeting its working capital requirement.

50.2 Unsecured Loan given for meeting working capital requirement, repayable on demand at interest rate in the range of 9% per annum.

50.3 Unsecured Loan given for meeting working capital requirement, repayable on demand at interest rate in the range of 9% per annum. This constitutes 24.95% of total loans given as at 31.03.2024.

50.4 Unsecured Loan given for meeting working capital requirement, repayable on demand at interest rate in the range of 9% per annum. This constitutes 69.62% of total loans given as at 31.03.2024.

NOTE 51 - EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend approved / proposed to be distributed

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Dividend approved/ proposed for Equity Shareholders (Refer Note 51.1)	198.44	198.44

Note 51.1: Final dividend of ₹55 per share proposed by the Board of Directors for FY 2023-24 (As at 31.03.2023: Interim dividend of ₹55 per share approved by the Board of Directors for FY 2022-23).

Notes Forming Part of Standalone Financial Statements

NOTE 52 - TRADE PAYABLES

A. The ageing of trade payables is as below:

(₹ in Crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024						
Undisputed						
-MSME	15.91	-	-	-	-	15.91
-Others	587.11	162.93	3.76	1.33	2.12	757.25
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	-	-	-	-
Total	**603.02**	**162.93**	**3.76**	**1.33**	**2.12**	**773.16**
Add: Provision for Expenses						290.87
Total Trade Payable						**1,064.03**
As at 31.03.2023						
Undisputed						
-MSME	12.30	-	-	-	-	12.30
-Others	669.44	162.32	2.09	1.85	0.83	836.53
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	-	-	-	-
Total	**681.74**	**162.32**	**2.09**	**1.85**	**0.83**	**848.83**
Add: Provision for Expenses						279.87
Total Trade Payable					**-**	**1,128.70**

B. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises ("MSME") Development Act, 2006:

(₹ in Crore)

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	15.91	12.30
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	**15.91**	**12.30**
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	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.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of Standalone Financial Statements

NOTE 53 - TRANSACTIONS WITH STRIKE OFF COMPANIES

Following are the transactions and balances with the companies, names of which have been struck off by the Registrar of Companies:

(₹ in Crore)

Name of struck off company	Nature of transaction	Balance outstanding		Relationship
		As at 31.03.2024	As at 31.03.2023	
AMB Civil Contractors Private Limited	Payable	0.04	0.04	None
Pyrotech Electronics Private Limited	Payable	0.03	-	None
BITS Mechanical Private Limited	Payable	-	-	None

NOTE 54 - FINANCIAL RATIOS

Sr. No	Particulars	For the year ended	
		31.03.2024	31.03.2023
1.	Current Ratio (Current Assets/Current Liabilities) (Refer note 54.1)	1.87	1.23
2.	Debt Equity Ratio (Long Term Debt + Current Maturities of Long Term Debt)/ (Net Worth) (Refer note 54.2)	0.05	0.09
3.	Debt Service Coverage Ratio [(Profit Before Tax + Finance Costs + Depreciation)/(Finance Costs + Term Loan Repayment During the Year)] (Refer note 54.3)	3.44	5.21
4.	Return on Equity Ratio/ Return on Investment (Profit After Tax/ Net Worth) (Refer note 54.4)	12.11%	7.26%
5.	Inventory Turnover (Times) (Revenue from Operations/ Annual Average Inventory)	7.03	7.35
6.	Trade Receivables Turnover Ratio (Times) (Gross Revenue from Operations / Annual Average Trade Receivables)	26.79	28.45
7.	Trade Payables Turnover Ratio (Times) (Purchases /Average Trade Payables where Purchases are Total Expenses reduced by Depreciation & Amortisation Expenses, Finance Costs and Employee Benefits Expenses)	13.03	13.48
8.	Net Capital Turnover Ratio (Revenue from Operations/ Net Worth)	0.96	0.92
9.	Net Profit Ratio (Profit After Tax/ Revenue from Operations) (Refer note 54.4)	12.60%	7.89%
10.	Return on Capital Employed (Earnings Before Interest & Tax/ Average Capital Employed where Capital Employed is Net Worth + Total Debt (Long Term + Short Term)) (Refer note 54.4)	15.51%	9.11%

54.1 Current ratio is improved due to (i) decrease in current maturity of long term borrowing (ii) increase in inventory & (iii) reclassification of certain investments from Non-current.

54.2 Debt equity ratio decreased due to repayment of long term borrowings.

54.3 Debt Service Coverage Ratio decreased due to repayment of long term borrowings. Although increase in Profit before tax has partially offset the decrease.

54.4 Return on equity, net profit ratio, return on capital employed has increased due to improved operating margins resulting from (i) decrease in Power & Fuel cost and (ii) increase in sales volume.

Notes Forming Part of Standalone Financial Statements

NOTE 55 - The Income Tax Department ("the Department") had conducted Survey u/s 133A of the Income Tax Act at the Company's premises in the month of June'23. The Company has co-operated fully with the Department in the survey proceedings and have provided requisite clarifications and details. Subsequently, the Company has also received notices from the department proposing reopening of assessments.

Having considered the records, facts and legal advice, the Company has not identified need for any adjustments to the current or prior period financial statements.

NOTE 56 - Previous year figures have been regrouped and rearranged wherever necessary.

NOTE 57 - Figures less than ₹50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 57

As per our report of even date	For and on behalf of the Board		
For B R Maheswari & Co LLP Chartered Accountants Firm's Registration No. 001035N/N500050	**H. M. Bangur** Chairman DIN: 00244329	**Prashant Bangur** Vice Chairman DIN: 00403621	**Neeraj Akhoury** Managing Director DIN: 07419090
Sudhir Maheshwari Partner Membership No. 081075	**Shreekant Somany** Independent Director DIN: 00021423	**Uma Ghurka** Independent Director DIN: 00351117	**Sanjiv Krishnaji Shelgikar** Independent Director DIN: 00094311
Date: 14th May, 2024 Place: Gurugram	**Zubair Ahmed** Independent Director DIN: 00182990	**Subhash Jajoo** Chief Finance Officer	**S.S. Khandelwal** Company Secretary

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Shree Cement Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

DESCRIPTION OF KEY AUDIT MATTERS:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods	
The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included the following: • Considered the appropriateness of Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; • Assessed the relevant disclosures made in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Litigation, Claims and Contingent Liabilities:	
The Group is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the recording and reassessment of uncertain legal positions, claims and contingent liabilities; • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable', 'possible' and 'remote'; • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the consolidated financial statements; • For those matters where Group concluded that no provision should be recorded, we also considered the adequacy and completeness of the Group's disclosures made in relation to contingent liabilities.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

a) We did not audit the financial statements of nine subsidiaries, whose financial reflect total assets of ₹4,533.70 crore as at 31st March, 2024, total revenues of ₹1,588.75 crore and net cash flows amounting to ₹59.89 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit / (loss) of ₹(71.83) crore for the year ended 31st March, 2024, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, to the extent applicable, we report that:

   (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2024 and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2024, from being appointed as a director in terms of section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statement discloses the impact of pending litigations on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements;

   ii. The Group did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v) (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend;

   (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

   vi) During the year, with effect from 1st February, 2024, the Company and its subsidiaries incorporated in India have migrated to a new ERP system which is widely used as an accounting software for maintaining books of accounts. Based on our examination, which included test checks, this accounting software has a required feature of recording audit trail (edit log) facility and that has operated throughout the period from date of migration to the end of financial year. In case of earlier accounting software, the audit trail (edit log) as well modified value for all relevant transactions were recorded in the said software except the audit trail (edit log) was not enabled for certain information and it was not enabled at database level.

During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with, for the period the audit trail feature was enabled.

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

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075
UDIN: 24081075BKFDKA6018

Date: 14th May, 2024
Place: Gurugram

Annexure "A" to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act").

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of Shree Cement Limited hereinafter referred to as ("the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the respective companies 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.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting as far as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075
UDIN: 24081075BKFDKA6018

Date: 14th May, 2024
Place: Gurugram

Consolidated Balance Sheet

AS AT 31ST MARCH, 2024

(₹ in Crore)

	Notes	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	8,834.95	6,793.74
Capital Work-in-Progress	38	1,929.67	2,796.61
Intangible Assets	8	123.45	74.67
Right of Use Assets	9	632.51	612.46
Financial Assets			
Investments	10	2,291.79	5,285.25
Loans	11	3.41	3.67
Other Financial Assets	12	113.81	143.30
Deferred Tax Assets (Net)	13	658.15	682.28
Non-Current Tax Assets (Net)		200.50	173.10
Other Non-Current Assets	15	953.02	800.93
		15,741.26	**17,366.01**
Current Assets			
Inventories	16	3,555.07	2,759.68
Financial Assets			
Investments	17	5,264.04	3,397.89
Trade Receivables	18	1,286.53	1,211.57
Cash and Cash Equivalents	19	262.36	46.17
Bank Balances other than Cash and Cash Equivalents	20	159.45	114.76
Loans	11	3.64	6.93
Other Financial Assets	12	236.89	315.87
Other Current Assets	15	1,444.23	1,115.06
		12,212.21	**8,967.93**
Total Assets		**27,953.47**	**26,333.94**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	21	36.08	36.08
Other Equity	22	20,666.84	18,600.32
Total Equity Attributable to Owners of the Company		**20,702.92**	**18,636.40**
Non Controlling Interest		41.12	40.56
Total Equity		**20,744.04**	**18,676.96**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	23	713.08	580.87
Lease Liabilities		141.65	137.66
Other Financial Liabilities	24	142.72	172.41
Provisions	25	30.72	33.92
Deferred Tax Liabilities (Net)	14	28.88	-
Other Non-Current Liabilities	27	24.55	-
		1,081.60	**924.86**
Current Liabilities			
Financial Liabilities			
Borrowings	26	761.84	1,958.97
Lease Liabilities		38.98	47.17
Trade Payables	56		
Total Outstanding Dues of Micro and Small Enterprises		16.10	12.30
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		1,198.13	1,183.70
Other Financial Liabilities	24	1,683.50	1,538.75
Other Current Liabilities	27	2,020.09	1,666.79
Provisions	25	11.71	10.26
Current Tax Liabilities (Net)		397.48	314.18
		6,127.83	**6,732.12**
Total Equity and Liabilities		**27,953.47**	**26,333.94**
Material Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

Shreekant Somany
Independent Director
DIN: 00021423

Uma Ghurka
Independent Director
DIN: 00351117

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

	Notes	For the year ended 31.03.2024	For the year ended 31.03.2023
INCOME			
Revenue from Operations			
Gross Revenue from Operations		25,531.27	22,396.54
Less: GST recovered		5,010.29	4,544.21
Revenue from Operations	28	20,520.98	17,852.33
Other Income	29	598.12	459.08
Total Income		**21,119.10**	**18,311.41**
EXPENSES			
Cost of Materials Consumed	30	1,647.45	1,417.72
Purchases of Stock-in-Trade		10.18	90.04
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	31	(87.81)	(75.32)
Employee Benefits Expenses	32	1,064.43	977.77
Power and Fuel		6,345.19	6,080.66
Freight and Forwarding Expenses	33	4,150.53	3,783.63
Finance Costs	34	258.34	262.87
Depreciation and Amortisation Expenses	7,8 & 9	1,897.32	1,660.67
Other Expenses	35	2,908.61	2,681.44
		18,194.24	**16,879.48**
Captive Consumption of Cement		(34.34)	(63.11)
Total Expenses		**18,159.90**	**16,816.37**
PROFIT BEFORE TAX		**2,959.20**	**1,495.04**
Tax Expense	45		
Current Tax		511.94	252.25
Tax Expense Relating to Earlier Years (Net)		-	(154.31)
Deferred Tax (Credit) / Charge		51.10	127.96
		563.04	**225.90**
PROFIT FOR THE YEAR		**2,396.16**	**1,269.14**
Profit Attributable to:			
Owners of the Company		2,395.70	1,270.70
Non Controlling Interest		0.46	(1.56)
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss - Re-measurements of Defined Benefit Plans	40(b)	7.02	6.98
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.50)	(2.27)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedges and Exchange Differences on Translation of Foreign Operation	50	30.59	234.16
Income Tax relating to Items that will be Reclassified to Profit or Loss		3.67	(0.09)
		39.78	**238.78**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the Year)		**2,435.94**	**1,507.92**
Other Comprehensive Income Attributable to:			
Owners of the Company		39.18	235.26
Non Controlling Interest		0.60	3.52
		39.78	**238.78**
Total Comprehensive Income Attributable to:			
Owners of the Company		2,434.88	1,505.96
Non Controlling Interest		1.06	1.96
		2,435.94	**1,507.92**
Earnings per Equity Share of ₹10 each (In ₹)	52		
Cash		1,203.38	847.29
Basic and Diluted		663.98	352.18
Material Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date
For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

Shreekant Somany
Independent Director
DIN: 00021423

Uma Ghurka
Independent Director
DIN: 00351117

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Consolidated Statement of changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2024

A. EQUITY SHARE CAPITAL (Refer Note 21)

Particulars	Numbers	(₹ in Crore)
Equity shares of ₹10 each, issued, subscribed and fully paid-up		
As at 01.04.2022	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31.03.2023	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31.03.2024	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 22)

For the year ended 31st March, 2024

(₹ in Crore)

Particulars	Reserves and Surplus						Item of OCI		Total Other Equity Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges			
Opening Balance as at 01.04.2023	**15.00**	**10.84**	**2,408.63**	**5.20**	**7,000.00**	**8,716.36**	**449.24**	**(4.95)**	**18,600.32**	**40.56**	**18,640.88**
Profit for the year						2,395.70			2,395.70	0.46	2,396.16
Other Comprehensive Income for the year											
Re-measurements of Defined Benefit Plans (Net of Tax)						5.49			5.49	0.03	5.52
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 50)								(7.39)	(7.39)		(7.39)
Exchange Differences on Translation of Foreign Operation							41.08		41.08	0.57	41.65
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 50)								10.18	10.18		10.18
Transfer to /(from) Retained Earnings				7.37		(7.37)			-		-
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						0.31			0.31	(0.50)	(0.19)
Interim Dividend on Equity Shares (Note 1 below)						(378.85)			(378.85)		(378.85)
Closing Balance as at 31.03.2024	**15.00**	**10.84**	**2,408.63**	**12.57**	**7,000.00**	**10,731.64**	**490.32**	**(2.16)**	**20,666.84**	**41.12**	**20,707.96**

Consolidated Statement of changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2024

B. OTHER EQUITY (Refer Note 22) (CONTD.)

For the year ended 31st March, 2023

(₹ in Crore)

Particulars	Reserves and Surplus						Item of OCI		Total Other Equity Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges			
Opening Balance as at 01.04.2022	**15.00**	**10.84**	**2,408.63**	**5.20**	**7,000.00**	**7,781.02**	**218.42**	**(14.91)**	**17,424.20**	**50.29**	**17,474.49**
Profit for the year						1,270.70			1,270.70	(1.56)	1,269.14
Other Comprehensive Income for the year											
Re-measurements of the Defined Benefit Plans (Net of Tax)						4.70			4.70	0.01	4.71
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 50)								(0.26)	(0.26)		(0.26)
Exchange Differences on Translation of Foreign Operation							230.82		230.82	3.51	234.33
Transfer to Initial Carrying Amount of Hedged Items (Net of tax) (Refer Note 50)								10.22	10.22		10.22
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						(15.34)			(15.34)	(11.69)	(27.03)
Final Dividend on Equity Shares (Note 2 below)						(162.36)			(162.36)		(162.36)
Interim Dividend on Equity Shares (Note 3 below)						(162.36)			(162.36)		(162.36)
Closing Balance as at 31.03.2023	**15.00**	**10.84**	**2,408.63**	**5.20**	**7,000.00**	**8,716.36**	**449.24**	**(4.95)**	**18,600.32**	**40.56**	**18,640.88**

Note 1: Interim Dividend at the rate of ₹55 per share of ₹10 each for FY 2022-23 and ₹50 per share of ₹10 each for FY 2023-24.

Note 2: Final Dividend at the rate of ₹45 per share of ₹10 each for FY 2021-22.

Note 3: Interim Dividend at the rate of ₹45 per share of ₹10 each for FY 2022-23.

Consolidated Statement of changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2024

Nature of Reserves

Capital Redemption Reserve

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Capital Reserve

Company's Capital Reserve is on account of acquisition of controlling stake in Union Cement Company (PJSC) (UCC) and Raipur Handling and Infrastructure Private Limited (RHIPL).

Securities Premium

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

Statutory Reserve

According to the articles of association of Union Cement Company (PJSC) (Subsidiary Company) and the requirements of the U.A.E. Federal Law No. 32 of 2021, 10% of the profit for each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

General Reserve

General Reserve represents the reserve created by apportionment of profits generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Foreign Currency Translation Reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in the foreign currency translation reserve.

Effective Portion of Cash Flow Hedges

The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

Shreekant Somany
Independent Director
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Independent Director
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Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Consolidated Statement of Cash Flow

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
A Cash Flow From Operating Activities				
Profit Before Tax		2,959.20		1,495.04
Adjustments For :				
Depreciation and Amortisation Expenses	1,897.32		1,660.67	
Foreign Exchange Rate Differences (Net)	(0.56)		(3.43)	
Bad Debts Written Off	1.51		0.58	
Allowance for Doubtful Trade Receivables (Net)	(1.14)		0.18	
Gain on Fair Value of Interest Free SGST Loan from Government	-		(14.00)	
Net (Gain)/ Loss on Sale of Investments	16.50		1.88	
(Gain)/ Loss on Fair Value of Investments through Profit or Loss	(327.36)		(131.07)	
Interest Income	(270.98)		(306.28)	
Gain on Sale of Precious Metals	(1.77)		-	
Dividend Income on Investments Classified at Fair Value through Profit or Loss	(6.15)		(6.14)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(7.95)		(6.76)	
Finance Costs	258.34	1,557.76	262.87	1,458.50
Operating Profit Before Working Capital Changes		**4,516.96**		**2,953.54**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	(456.42)		(606.22)	
(Increase) / Decrease in Inventories	(790.49)		(235.02)	
Increase / (Decrease) in Trade & Other Payables and Provisions	521.63	(725.28)	789.65	(51.59)
Cash Generated From Operations		**3,791.68**		**2,901.95**
Direct Taxes Paid (Net of Refunds)		(444.19)		(333.21)
Net Cash Flow From Operating Activities		**3,347.49**		**2,568.74**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipment (Including Capital Work-in-Progress and Capital Advances)	(3,140.30)		(3,291.38)	
Proceeds from Sale of Property, Plant and Equipment	30.85		35.34	
Payments for Intangible Assets	(60.05)		(23.07)	
(Purchases) / Proceeds of Investments in Mutual Funds (Net)	41.14		255.80	
Investments in Precious Metals	(10.04)		-	
Proceeds from Sale of Precious Metals	10.04		-	
Purchases of Other Investments	(226.19)		(97.37)	
Proceeds from Sale/ Redemption of Other Investments	1,607.13		330.67	
Repayment Received for Loan Given to Subsidiary Companies (Refer note 10.3)	1.98		18.77	
Investments in Bank Deposits	(54.63)		(74.08)	
Maturity of Bank Deposits	31.77		67.96	
Change in Earmarked Balances with Banks (Unpaid Dividend)	0.18		(0.25)	
Dividend Received	6.15		6.14	
Interest Received	343.51		356.98	
Net Cash Used in Investing Activities		**(1,418.46)**		**(2,414.49)**

Consolidated Statement of Cash Flow

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Crore)

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
C Cash Flow From Financing Activities				
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest	(0.19)		(0.87)	
Proceeds from Long Term Borrowings	698.57		193.63	
Repayment of Long Term Borrowings	(1,168.49)		(378.93)	
Repayment of Lease Liabilities	(148.90)		(147.61)	
Proceeds from Short Term Borrowings	20.70		72.67	
Repayment of Short Term Borrowings	(20.70)		(72.67)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(492.30)		640.14	
Interest and Financial Charges Paid	(219.71)		(258.55)	
Dividend Paid	(379.03)		(324.52)	
Net Cash Used in Financing Activities		**(1,710.05)**		**(276.71)**
Net Increase /(Decrease) in Cash and Cash Equivalents		**218.98**		**(122.46)**
Cash and Cash Equivalents as at the beginning of the Year		**14.35**		**127.71**
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries		0.59		9.10
Cash and Cash Equivalents as at the end of the Year		**233.92**		**14.35**

Notes :

1. Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
2. The above statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.
3. For the purpose of Consolidated Statement of Cash Flow, Cash and Cash Equivalents comprises the following:

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks	191.46	29.49
Cash on Hand	3.13	3.13
Call Deposits with Banks	27.61	4.38
Fixed Deposits with Banks having Original Maturity upto 3 months	40.16	9.17
	262.36	46.17
Less: Bank Overdraft	28.44	31.82
	233.92	**14.35**

4. Refer Note 46 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

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Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

Notes Forming Part of Consolidated Financial Statements

NOTE 1 - CORPORATE INFORMATION

Shree Cement Limited ("the Holding Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar-305901 (Rajasthan) India.

The Consolidated Financial Statements comprise financial statements of Shree Cement Limited ("the Holding Company") and its subsidiaries together referred to as "the Company" or "the Group".

The Company is engaged in the manufacturing and selling of cement and cement related products. It is regarded as one of the most efficient and environment friendly Company in the global cement industry.

NOTE 2 - STATEMENT OF COMPLIANCE

These consolidated financial statements (hereinafter referred to as "financial statements" in the consolidated financial statements) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

These Consolidated Financial Statements are approved and adopted by the Board of Directors of the Company in their meeting held on 14th May, 2024.

NOTE 3 - PRINCIPLES OF CONSOLIDATION:

The subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	% Shareholding and Voting Power	
			As at 31.03.2024	As at 31.03.2023
1	Shree Global FZE	UAE	100%	100%
2	Shree International Holding Ltd.	UAE	100%	100%
3	Shree Enterprises Management Ltd.	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
4	Union Cement Company (PJSC)	UAE	98.35%	98.33%
5	U C N Co Ltd L.L.C	UAE	98.35%*	99.00%*
6	Raipur Handling and Infrastructure Private Limited	India	100%	100%
7	Shree Cement North Private Limited	India	100%	100%
8	Shree Cement East Private Limited	India	100%	100%
9	Shree Cement South Private Limited	India	100%	100%

* Effective group holding.

The Consolidated Financial Statements of the Group are prepared on following basis:

a) The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013.

b) The Financial Statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the books values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions and any unrealized profits or losses arising from intra group transaction, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

c) Non-Controlling Interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

e) The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2024.

Notes Forming Part of Consolidated Financial Statements

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the period. The exchange differences arising on translation for consolidation are recognized in Other Comprehensive Income (OCI) except to the extent those exchange differences are allocated to non- controlling interest. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognized to the profit or loss.

NOTE 4 - NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

(a) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

(b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

(c) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

These amendments are effective from 1st April, 2023 and the effect of these amendments has been incorporated in these financial statements to the extent applicable to the Company. These amendments do not have significant impact on the financial statements of the Company.

(ii) Application of New Amendments Issued but Not Yet Effective

Ministry of Corporate Affairs ("MCA") has not issued any new Ind AS/ amendments to Ind AS which are effective from 1st April 2024.

NOTE 5 - MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 5(r)).
- Employee's defined benefit plan as per actuarial valuation.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("₹") and all values are rounded to the nearest crore, except otherwise indicated.

b) Classification of Assets and Liabilities into Current / Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realize the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is 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.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or

Notes Forming Part of Consolidated Financial Statements

4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/ amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to Statement of Profit and Loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress is carried at cost and directly attributable expenditure /Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other non- current assets".

Depreciation is provided on written down value method except in case of some subsidiary companies on Straight Line Method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant and Equipment	3-30 Years
Buildings (including Roads)	10-35 Years
Railway Siding	15-20 Years
Vehicles	5-6 Years
Office Equipment	3-6 Years
Furniture & Fixtures	5-10 Years

Freehold land containing mineral reserve is amortized over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis upto the date of deduction/disposal.

Gains or losses arising from de-recognition of assets 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 disposed and / or derecognized.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use.

Amortization is provided on a written down value method except in case of some subsidiary companies on Straight Line Method over estimated useful lives. Mining rights is amortized based on units-of-production method. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Computer Software	3-10 Years
Private Freight Terminal License	Over the period of license right

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes Forming Part of Consolidated Financial Statements

f) Impairment of Non-Financial Assets

The carrying amount of assets is reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. 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 cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of cash generating unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

g) Revenue Recognition

Revenue is recognized to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Service Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognized when the right to receive the payment is established. Interest is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/ redemption of investment on date of transaction.

i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognized only when collection is virtually certain which generally coincides with receipt.

j) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in the Statement of Profit and Loss on a systematic basis over the period to match them with the related costs.

Grants related to an asset are included in liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognized in the Statement of Profit and Loss.

k) Employee Benefits

1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme, Employees State Insurance Corporation (ESIC) and Retirement Pension and Social Security Scheme are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year in which employees have rendered related services.

2) Defined Benefit Plan

Gratuity and End of Service Benefit is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized as follows:

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- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expenses'.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re- measurements are not reclassified to profit or loss in subsequent periods.

3) Other Long Term Benefits

Encashable leave and non encashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/losses, if any, are recognized in the Statement of Profit and Loss in the year in which they arise.

4) Other Short Term Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

l) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also Holding Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency of the entity in the Group, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise, except the amount of such differences capitalized in accordance with policy on 'Borrowing Costs'.

m) Taxation

Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and

Notes Forming Part of Consolidated Financial Statements

deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax ("MAT") paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable 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 which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

2) Work-in-Progress, Finished Goods and Stock-in-Trade

These are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable 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 and Contingencies

1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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 time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Mines Reclamation Expenditure

The Company provides for the expenditure to reclaim the quarries used for mining, in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognized.

p) Leases

At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to lease agreements in which it is the lessee.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right of use asset measured at inception at the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date

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Notes Forming Part of Consolidated Financial Statements

less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated depreciation/amortization, accumulated impairment losses, if any. Right of use assets are depreciated/amortized on straight line basis over the shorter period of lease term and useful life of the underlying asset.

For a lease modification that is not accounted as a separate lease, the Company re-measure the lease liability by discounting the revised lease payments using revised discount rate, with corresponding adjustment to the 'right of use asset'. The Company recognize gain or loss in the statement of profit or loss for partial or full termination of lease for lease modifications that decrease the scope of the lease.

The right of use assets and lease liability is presented separately on the face of the Balance sheet as 'Right of Use Assets' and 'Lease Liability' respectively.

q) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognized in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a Business Combination and recognized separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in Statement of Profit and Loss.

r) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, investments, loans and other financial assets.

Classification and Subsequent Measurement

Financial assets are subsequently measured at amortized cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

a) Financial Assets at Amortized Cost

A financial asset is subsequently measured at amortized 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.

b) 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.

c) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and interest income on financial assets at fair value through profit or loss is recognized as dividend and interest income respectively and included in 'other income'

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivative designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

a) Financial liabilities at Fair Value Through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

b) Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using effective interest rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

3) Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re measured at fair value. Derivatives are carried as financial

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assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) **Financial Liabilities and Equity Instruments:**

Classification as Debt or Equity

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

s) **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

t) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the owners of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTE 6 - SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

a) **Deferred Tax Assets**

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) **Property, Plant and Equipment & Intangible Assets**

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) **Allowances for Uncollected Trade Receivables**

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) **Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) **Mines Reclamation Obligation**

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government securities of similar tenure.

f) **Defined Benefit Plan**

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. 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, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumption is reviewed at each reporting date. Refer Note 40 for sensitivity analysis.

g) **Fair Value Measurement of Financial Instruments**

When the fair values 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 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.

Notes Forming Part of Consolidated Financial Statements

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Gross block					Depreciation / Amortization					NET BLOCK
	Opening as at 01.04.2023	Effect of foreign currency translation	Additions During the Year	Deductions / Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Effect of foreign currency translation	Deductions / Adjustments During the Year	Up to 31.03.2024	As at 31.03.2024
Tangible Assets :											
Free Hold Land	2,034.81	-	381.75	1.66	2,414.90	20.87	8.30	-	-	29.17	2,385.73
Buildings	1,564.83	1.05	156.77	0.27	1,722.38	955.88	157.78	0.21	0.05	1,113.82	608.56
Plant and Equipment	12,825.02	33.56	3,150.28 (a)	43.28	15,965.58	8,945.95	1,528.47	8.70	41.31	10,441.81	5,523.77
Railway Sidings	275.69	-	1.31	-	277.00	58.12	54.45	-	-	112.57	164.43
Furniture and Fixtures	65.38	0.04	7.73	0.38	72.77	57.45	8.30	0.03	0.38	65.40	7.37
Office Equipment	99.09	0.06	18.37	3.22	114.30	85.92	16.58	0.03	2.96	99.57	14.73
Vehicles	112.34	0.10	192.22	32.30	272.36	59.23	94.32	0.05	11.60	142.00	130.36
Total	**16,977.16**	**34.81**	**3,908.43**	**81.11**	**20,839.29**	**10,183.42**	**1,868.20 (b)**	**9.02**	**56.30**	**12,004.34**	**8,834.95**

(₹ in Crore)

Particulars	Gross block					Depreciation / Amortization					NET BLOCK
	Opening as at 01.04.2022	Effect of foreign currency translation	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Effect of foreign currency translation	Deductions/ Adjustments During the Year	Up to 31.03.2023	As at 31.03.2023
Tangible Assets :											
Free Hold Land	1,805.26	-	283.77	54.22	2,034.81	15.04	5.83	-	-	20.87	2,013.94
Buildings	1,381.95	5.83	188.84	11.79	1,564.83	804.29	151.50	0.89	0.80	955.88	608.95
Plant and Equipment	11,769.06	185.41	912.35 (a)	41.80	12,825.02	7,498.02	1,443.37	37.55	32.99	8,945.95	3,879.07
Railway Sidings	67.95	-	207.74	-	275.69	40.40	17.72	-	-	58.12	217.57
Furniture and Fixtures	56.04	0.17	9.40	0.23	65.38	47.87	9.68	0.12	0.22	57.45	7.93
Office Equipment	85.27	0.38	15.35	1.91	99.09	74.01	13.57	0.19	1.85	85.92	13.17
Vehicles	79.18	0.53	47.31	14.68	112.34	40.89	29.66	0.22	11.54	59.23	53.11
Total	**15,244.71**	**192.32**	**1,664.76**	**124.63**	**16,977.16**	**8,520.52**	**1,671.33 (b)**	**38.97**	**47.40**	**10,183.42**	**6,793.74**

(a) Includes ₹39.58 crore (for the year ended 31.03.2023 : ₹12.02 crore) for capital expenditure on research and development.
(b) Depreciation for the year includes ₹57.95 crore (for the year ended 31.03.2023 : ₹87.97 crore) on assets during construction period.
(c) Possession of immovable properties having gross block of Rs Nil (as at 31.03.2023: ₹40.06 crore) and Net Block of ₹Nil (as at 31.03.2023: ₹37.10 crore) is with Group. The Title of the same was pending to be transferred as on 31st March, 2023. The same was transferred during year ended 31.03.2024.
(d) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP carrying value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹8,508.98 crore and ₹5,587.79 crore, respectively.
(e) Refer note 9 for Right of Use Assets.

Notes Forming Part of Consolidated Financial Statements

NOTE 8 - INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Cost					Amortization					Net Carrying Amount as at 31.03.2024
	Opening as at 01.04.2023	Effect of foreign currency translation	Additions During the Year	Deductions / Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Effect of foreign currency translation	Deductions / Adjustments During the Year	Up to 31.03.2024	
Intangible Assets :											
Computer Software	36.93	0.16	48.16	-	85.25	32.86	9.51	0.14	-	42.51	42.74
Private Freight Terminal License	30.93	-	-	-	30.93	5.28	1.08	-	-	6.36	24.57
Mining Rights	46.78	-	11.89	-	58.67	1.83	0.70	-	-	2.53	56.14
Total	**114.64**	**0.16**	**60.05**	**-**	**174.85**	**39.97**	**11.29**	**0.14**	**-**	**51.40**	**123.45**

(₹ in Crore)

Particulars	Cost					Amortization					Net Carrying Amount as at 31.03.2023
	Opening as at 01.04.2022	Effect of foreign currency translation	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Effect of foreign currency translation	Deductions/ Adjustments During the Year	Up to 31.03.2023	
Intangible Assets :											
Computer Software	32.59	0.85	3.49	-	36.93	27.80	4.52	0.54	-	32.86	4.07
Private Freight Terminal License	30.93	-	-	-	30.93	4.20	1.08	-	-	5.28	25.65
Mining Rights	27.20	-	19.58	-	46.78	1.47	0.36	-	-	1.83	44.95
Total	**90.72**	**0.85**	**23.07**	**-**	**114.64**	**33.47**	**5.96**	**0.54**	**-**	**39.97**	**74.67**

(a) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

Notes Forming Part of Consolidated Financial Statements

NOTE 9 - RIGHT OF USE ASSETS

(₹ in Crore)

Particulars	Gross carrying amount					Depreciation / Amortization					Net Carrying Amount as at 31.03.2024
	Opening as at 01.04.2023	Effect of foreign currency translation	Additions During the Year	Deductions / Adjustments During the Year	As at 31.03.2024	Opening as at 01.04.2023	For the Year	Effect of foreign currency translation	Deductions / Adjustments During the Year	Up to 31.03.2024	
Land	578.11	1.09	36.52	0.11	615.61	60.88	12.32	0.05	0.11	73.14	542.47
Buildings	95.30	0.02	52.97	30.14	118.15	25.77	46.65	(0.04)	29.56	42.82	75.33
Plant and Equipment	34.10	-	0.26	30.83	3.53	19.68	13.03	-	30.50	2.21	1.32
Vehicles	20.21	-	43.76	29.56	34.41	8.93	41.16	-	29.07	21.02	13.39
Total	**727.72**	**1.11**	**133.51**	**90.64**	**771.70**	**115.26**	**113.16 (a)**	**0.01**	**89.24**	**139.19**	**632.51**

(₹ in Crore)

Particulars	Gross carrying amount					Depreciation / Amortization					Net Carrying Amount as at 31.03.2023
	Opening as at 01.04.2022	Effect of foreign currency translation	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2023	Opening as at 01.04.2022	For the Year	Effect of foreign currency translation	Deductions/ Adjustments During the Year	Up to 31.03.2023	
Land	517.28	6.02	54.90	0.09	578.11	49.54	11.23	0.20	0.09	60.88	517.23
Buildings	39.16	0.11	86.41	30.38	95.30	20.81	34.95	0.04	30.03	25.77	69.53
Plant and Equipment	13.92	-	49.54	29.36	34.10	7.95	38.90	-	27.17	19.68	14.42
Vehicles	15.39	-	17.74	12.92	20.21	6.65	12.40	-	10.12	8.93	11.28
Total	**585.75**	**6.13**	**208.59**	**72.75**	**727.72**	**84.95**	**97.48 (a)**	**0.24**	**67.41**	**115.26**	**612.46**

(a) Depreciation/Amortisation for the year includes ₹37.38 crore (for the year ended 31.03.2023 : ₹26.13 crore) on assets during construction period.
(b) The Company has taken several assets including land, godowns, office premises, railway sidings, vehicles and heavy earth moving machineries on lease.

Notes Forming Part of Consolidated Financial Statements

NOTE 10 - NON CURRENT INVESTMENTS

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	-	-	305	31.34
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	151.58	14,02,310	155.12
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	-	-	300	31.85
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	-	-	250	26.42
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	21.95	2,10,000	22.16
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	57.57	5,32,500	58.53
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.22	66	7.33
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.55	5,50,000	55.60
7.28% IRFC Tax Free Bonds - 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	51.96	5,11,350	52.04
3.249% IRFC 13FB30	100 USD	10,000	8.41	10,000	8.30
2.80% IRFC -10FB31	100 USD	43,000	34.68	43,000	34.05
Power Finance Corporation					
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	-	-	250	25.50
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.47	1,000	10.63
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.55	24,000	2.59
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	32.17	300	32.59
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	97.21	8,39,928	99.74
7.05% PFC Bonds - 09AG30	10,00,000	-	-	350	35.00
6.88% PFC Bonds - 11AP31	10,00,000	-	-	150	14.91
3.35% PFC - 16MY31	100 USD	33,000	27.32	33,000	26.90
3.95% PFC - 23AP30	100 USD	30,000	25.24	30,000	24.91
4.50% PFC - 18JUN29	100 USD	20,000	17.48	20,000	17.37
National Highways Authority of India					
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	-	-	100	10.01
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	-	-	330	33.29
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	49.81	4,56,388	51.16
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	25.17	228	25.58
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	16.84	158	16.95
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	170.90	15,23,022	173.02
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	103.19	950	104.07
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	154.11	13,75,838	155.94
Housing and Urban Development Corporation Limited					
7.19% HUDCO Tax Free NCD - 31JL25	10,00,000	68	6.85	68	6.89
7.07% HUDCO Tax Free NCD - 01OT25	10,00,000	250	25.04	250	25.08
7.00% HUDCO Tax Free NCD - 09OT25	10,00,000	120	12.05	120	12.09
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.10	2,80,066	28.15

Notes Forming Part of Consolidated Financial Statements

NOTE 10 - NON CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.82	37,645	3.85
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	101.27	9,70,000	102.51
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.43	1,19,000	12.56
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	4.83	44	4.91
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.23	20,000	2.27
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.13	3,00,439	31.24
India Infrastructure Finance Company Limited					
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	-	-	250	26.18
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	-	-	150	15.26
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	-	-	4,46,000	46.24
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.38	1,50,000	15.46
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	10.78	100	10.93
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.11	130	14.33
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	6.95	64	7.06
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.28	11,680	1.30
Rural Electrification Corporation					
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.79	45,564	4.86
7.38% REC Tax Free Bonds - 19DC27	1,000	-	-	1,00,000	10.48
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	19.60	181	19.90
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	35.14	3,22,500	35.68
7.50% REC Bonds - 28FB30	10,00,000	-	-	1,000	101.07
7.55% REC Bonds - 11MY30	10,00,000	-	-	438	44.43
6.80% REC Bonds - 20DC30	10,00,000	-	-	250	24.93
3.50% REC Bonds - 12DC24	100 USD	-	-	9,000	7.28
4.625% REC Bonds - 22MR28	100 USD	20,000	16.95	20,000	16.77
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.16	150	15.26
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.65	8,68,838	87.74
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	-	-	100	10.34
6.39% NABARD Bonds - 19NV30	10,00,000	-	-	750	72.34
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	50.02	4,55,065	50.52
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	350	35.62	450	46.35
4.375% NTPC 26NV24	100 USD	-	-	10,000	8.23
4.50% NTPC 19MR28	100 USD	10,000	8.86	10,000	8.85
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	44.08	400	44.88
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	17.41	30,000	17.85
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	39.21	67,000	40.20

Notes Forming Part of Consolidated Financial Statements

NOTE 10 - NON CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	7,00,000 (10,00,000 as at 31.03.2023)	400	28.34	400	40.78
Housing Development Finance Corporation Limited					
7.40% HDFC NCD - 28FB30	10,00,000	-	-	350	35.40
7.25% HDFC NCD - 17JUN30	10,00,000	-	-	1,800	180.83
6.83% HDFC NCD - 08JN31	10,00,000	-	-	1,610	157.78
7.10% HDFC NCD - 12NV31	10,00,000	-	-	1,500	150.32
7.05% HDFC NCD - 01DC31	10,00,000	-	-	300	29.38
LIC Housing Finance Limited					
7.95% LICHF NCD - 29JN28	10,00,000	-	-	200	20.83
7.99% LICHF NCD - 12JL29	10,00,000	-	-	335	35.25
Hero FinCorp Limited					
6.95% HERO FIN CORP NCD - 03NV25	10,00,000	500	49.88	500	49.86
Mahindra Rural Housing Finance LImited					
7.75% MRHFL NCD - 15JL25	10,00,000	-	-	500	50.65
Food Corporation of India					
6.65% FCI Bonds - 23OT30	10,00,000	-	-	450	43.51
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds - 11OT30	10,00,000	-	-	1,000	100.00
6.85% MTNL Bonds - 20DC30	10,00,000	-	-	750	73.34
JSW Steel Limited					
5.95% JSW Bonds - 18AP24	100 USD	10,000	8.35	10,000	8.42
5.05% JSW Bonds - 05AP32	100 USD	21,650	14.98	-	-
Egypt, Arab Republic of (Government)					
5.25% ECGV Bonds - 06OT25	100 USD	15,000	12.77	15,000	12.76
China Water Affairs Group Ltd.					
4.85% CWA 18MY26	100 USD	10,000	8.20	10,000	8.03
Export Import Bank of India					
3.25% EIBI 15JN30	100 USD	20,000	17.02	20,000	16.84
2.25% EIBI 13JN31	100 USD	30,000	23.74	30,000	23.26
HPCL Mittal Energy					
5.45% HME 22OT26	100 USD	20,000	16.82	20,000	16.62
5.25% HME 28AP27	100 USD	15,000	12.87	15,000	12.79
Oil India Limited					
5.125% OIL 04FB29	100 USD	73,000	65.94	73,000	65.90
Oman Sultanate of (Government)					
4.875% OGB 01FB25	100 USD	-	-	5,000	4.22
Oman Sovereign SUKUK					
4.875% OSK 15JUN30	100 USD	-	-	10,000	8.35
ONGC Videsh Vankorneft Pte. Ltd					
3.75% OVPL 27JL26	100 USD	20,000	16.61	20,000	16.35

Notes Forming Part of Consolidated Financial Statements

NOTE 10 - NON CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Periama Holdings LLC -JSTL					
5.95% PHJL 19AP26	100 USD	20,000	16.34	5,000	4.27
QNB Finansbank A.S.					
6.875% QFAS 07SP24	100 USD	-	-	10,000	8.51
TC Ziraat Banakasi A.S.					
5.375% TCZ 02MR26	100 USD	10,000	8.30	10,000	8.17
Ultratech Cement Limited					
2.80% UCL 16FB31	100 USD	40,000	32.98	40,000	32.46
Hindustan Petroleum Corporation Ltd					
4.00% HPCL 12JL27	100 USD	5,000	4.07	5,000	3.99
Emirates NBD					
6.75% NBD 31JN29	100 USD	2,000	1.67	-	-
Standard Chartered Plc					
6.296% SC 06JL34	100 USD	10,000	7.97	-	-
Total (A)			**2,152.10**		**3,629.17**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Perpetual Bonds					
7.95% Bank of Baroda, Non Convertible Perpetual Bond	1,00,00,000	-	-	200	198.24
7.72% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	-	-	311	307.43
7.55% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	-	-	150	146.92
3.70% HDFC Bond	100 USD	64,600	49.65	9,500	6.58
5.88% HSBC Bond	100 GBP	10,000	10.13	10,000	8.74
6.375% HSBC Bond	100 USD	-	-	10,000	7.74
5.50% SMC Bond	100 USD	10,000	8.11	10,000	7.36
6.125% Emirates NBD Bond	100 USD	-	-	5,000	4.00
5.125% UBS Group Bond	100 USD	10,000	7.93	10,000	6.84
4.10% AXIS Bond	100 USD	68,500	53.12	-	-
Units of Mutual Funds					
SBI FMP- Series 41 (1498 Days) Direct Growth	10	-	-	14,99,92,500	164.06
SBI FMP- Series 44 (1855 Days) Direct Growth	10	-	-	5,99,97,000	64.93
SBI FMP- Series 51 (1846 Days) Direct Growth	10	-	-	5,99,97,000	63.17
SBI FMP- Series 53 (1839 Days) Direct Growth	10	-	-	5,99,97,000	63.12
SBI FMP- Series 60 (1878 Days) Direct Growth	10	-	-	4,99,97,500	51.96
SBI FMP- Series 58 (1842 Days) Direct Growth	10	-	-	3,99,98,000	41.97
SBI FMP- Series 57 (1835 Days) Direct Growth	10	-	-	3,99,98,000	41.60
SBI FMP- Series 55 (1849 Days) Direct Growth	10	-	-	2,99,98,500	31.45
SBI FMP- Series 61 (1927 Days) Direct Growth	10	-	-	2,99,98,500	31.28
ABSL FTP Series TI (1837 Days) - Direct Growth	10	-	-	3,99,98,000	43.17
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	-	-	1,99,99,000	20.77

Notes Forming Part of Consolidated Financial Statements

NOTE 10 - NON CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth	10	-	-	4,49,97,750	48.01
Kotak FMP Series 292 Direct Growth	10	-	-	6,99,96,500	74.85
HDFC FMP 1861D March 2022 - Series 46-Direct - Growth	10	-	-	2,99,98,500	31.27
Newport Global Fund SPC-Class7H-B	0.50 USD	14,83,973	6.39	14,83,973	5.98
Silverdale Fixed Maturity Fund	1USD	5,332	4.36	5,332	3.79
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	-	-	10,59,600	7.88
CSTRIP GS 12-DEC-2027C	100	-	-	10,59,600	7.61
CSTRIP GS 15-MAR-2028C	100	-	-	1,00,00,000	70.56
CSTRIP GS 12-JUN-2028C	100	-	-	10,59,600	7.35
CSTRIP GS 12-DEC-2028C	100	-	-	10,59,600	7.09
CSTRIP GS 12-JUN-2029C	100	-	-	10,59,600	6.83
UNQUOTED					
Preference Shares					
Tata Capital Limited					
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	-	-	7,50,000	73.53
Total (B)			**139.69**		**1,656.08**
Investments at Cost (C)					
UNQUOTED					
Subsidiaries					
Fully Paid Equity shares					
Shree Cement East Bengal Foundation (Refer Note 10.3)	10	26,000	-	26,000	-
Total (C)			-		-
Total (A+B+C)			**2,291.79**		**5,285.25**

*Except otherwise stated.

10.1 Aggregate carrying amount and market value of quoted investments :

(₹ in Crore)

	As at 31.03.2024		As at 31.03.2023	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments	2,291.79	2,305.36	5,211.72	5,170.10
Total	**2,291.79**	**2,305.36**	**5,211.72**	**5,170.10**

10.2 Aggregate carrying amount of unquoted investments	-	73.53

10.3 The Company has made investment of ₹0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and hence, not consolidated in the Consolidated Financial Statements.

Notes Forming Part of Consolidated Financial Statements

NOTE 11 - FINANCIAL ASSETS - LOANS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Loans to Staff and Workers	3.41	3.67	3.64	4.95
Loan to Subsidiary Company (Refer Note 10.3 and Note 43)	-	-	-	1.98
	3.41	**3.67**	**3.64**	**6.93**

NOTE 12 - FINANCIAL ASSETS - OTHERS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Derivative Financial Instruments	-	27.15	32.14	111.94
Security Deposits (Refer Note 43)	113.81	93.03	11.23	7.42
Fixed Deposits with Banks (maturity more than 12 months)	-	21.88	-	-
Interest Accrued on Bonds, Debentures, Deposits and Loans (Refer Note 43)	-	-	106.54	146.11
Others	-	1.24	86.98	50.40
	113.81	**143.30**	**236.89**	**315.87**

NOTE 13 - DEFERRED TAX ASSETS (NET)

(₹ in Crore)

	As at 31.03.2023	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2024
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	8.01	7.90	-	-	-	15.91
Expenses Allowed for Tax Purpose When Paid	185.95	(25.78)	-	-	-	160.17
Depreciation and Amortization	533.36	(21.50)	-	-	-	511.86
Unutilised Tax Losses	-	22.85	-	-	-	22.85
Cash Flow Hedges	2.66	-	-	3.67	(5.46)	0.87
Fair Value of Investments	25.41	3.44	-	-	-	28.85
MAT Credit Entitlement	16.83	36.62	-	-	-	53.45
Others	5.92	6.74	-	-	-	12.66
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	86.79	52.68	-	-	-	139.47
Others	9.07	(0.07)	-	-	-	9.00
Net Deferred Tax Assets/ (Liabilities)	**682.28**	**(22.34)**	**-**	**3.67**	**(5.46)**	**658.15**

Notes Forming Part of Consolidated Financial Statements

NOTE 13 - DEFERRED TAX ASSETS (NET) (CONTD.)

(₹ in Crore)

	As at 31.03.2022	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2023
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	10.24	(2.23)	-	-	-	8.01
Expenses Allowed for Tax Purpose When Paid	192.15	(6.20)	-	-	-	185.95
Depreciation and Amortization	493.66	39.70	-	-	-	533.36
Cash Flow Hedges	8.02	-	-	(0.09)	(5.27)	2.66
Fair Value of Investments	16.48	8.93	-	-	-	25.41
MAT Credit Entitlement	6.61	(130.99)	141.21	-	-	16.83
Others	2.87	3.05	-	-	-	5.92
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	48.74	38.05	-	-	-	86.79
Others	6.90	2.17	-	-	-	9.07
Net Deferred Tax Assets/ (Liabilities)	**674.39**	**(127.96)**	**141.21**	**(0.09)**	**(5.27)**	**682.28**

NOTE 14 - DEFERRED TAX LIABILITIES (NET)

(₹ in Crore)

	As at 31.03.2023	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI due to Currency translation	Recognised Directly in Equity	As at 31.03.2024
Deferred Tax Liabilities:						
Arising on account of:						
Depreciation and Amortization	-	28.76	-	0.12	-	28.88
Net Deferred Tax Liabilities	**-**	**28.76**	**-**	**0.12**	**-**	**28.88**

NOTE 15- OTHER ASSETS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	4.07	1.70
Advances to Suppliers and Contractors	-	-	152.43	156.82
Capital Advances	768.57	594.33	-	-
Assets Held for Disposal	-	-	0.07	0.08
Prepaid Expenses	9.85	7.01	30.53	13.39
Other Receivables	174.60	199.59	1,257.13	943.07
	953.02	**800.93**	**1,444.23**	**1,115.06**

15.1 Other receivables includes GST, Government grants and other dues from Government etc.

Notes Forming Part of Consolidated Financial Statements

NOTE 16 - INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Raw Materials [Includes in transit ₹0.04 crore (As at 31.03.2023 : ₹2.51 crore)]	103.31	74.17
Fuel [Includes in transit ₹1,493.36 crore (As at 31.03.2023 : ₹950.47 crore)]	1,842.70	1,267.61
Stores and Spares [Includes in transit ₹3.51 crore (As at 31.03.2023: ₹Nil)]	950.95	843.58
Packing Materials [Includes in transit ₹0.18 crore (As at 31.03.2023: ₹Nil)]	54.31	59.85
Stock-in-Trade	0.04	0.05
Work-in-Progress [Includes in transit ₹26.10 crore (As at 31.03.2023 : ₹26.98 crore)]	446.04	385.66
Finished Goods [Includes in transit ₹36.34 crore (As at 31.03.2023 : ₹26.26 crore)]	157.72	128.76
	3,555.07	**2,759.68**

NOTE 17 - CURRENT INVESTMENTS

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	3,00,000	400	12.14	-	-
Rural Electrification Corporation					
3.50% REC 12DC24	100 USD	9,000	7.45	-	-
NTPC Limited					
4.375% NTPC 26NV24	100 USD	10,000	8.34	-	-
Oman Sultanate of (Government)					
4.875% OGB 01FB25	100 USD	5,000	4.22	-	-
QNB Finansbank A.S.					
6.875% QFAS 07SP24	100 USD	10,000	8.43	-	-
Vedanta Resources Limited					
7.125% VED 31MY23	100 USD	-	-	20,000	16.39
Total (A)			**40.58**		**16.39**
Investments at Fair Value through Profit or Loss (B)					
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	-	-	1,00,00,000	12.25
ICICI Prudential Liquid Fund DP Growth	100	-	-	5,29,618	17.64
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	176.10	-	-
SBI FMP- Series 44 (1855 Days) Direct Growth	10	5,99,97,000	69.67	-	-
SBI FMP- Series 51 (1846 Days) Direct Growth	10	5,99,97,000	67.87	-	-
SBI FMP- Series 53 (1839 Days) Direct Growth	10	5,99,97,000	67.77	-	-
SBI FMP- Series 60 (1878 Days) Direct Growth	10	4,99,97,500	55.75	-	-
SBI FMP- Series 58 (1842 Days) Direct Growth	10	3,99,98,000	45.02	-	-
SBI FMP- Series 57 (1835 Days) Direct Growth	10	3,99,98,000	44.69	-	-

Notes Forming Part of Consolidated Financial Statements

NOTE 17 - CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
SBI FMP- Series 55 (1849 Days) Direct Growth	10	2,99,98,500	33.74	-	-
SBI FMP- Series 61 (1927 Days) Direct Growth	10	2,99,98,500	33.56	-	-
ABSL FTP Series TI (1837 Days) - Direct Growth	10	3,99,98,000	46.37	-	-
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	1,99,99,000	22.32	-	-
Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth	10	4,49,97,750	51.59	-	-
Kotak FMP Series 292 Direct Growth	10	6,99,96,500	80.38	-	-
HDFC FMP 1861D March 2022 - Series 46-Direct - Growth	10	2,99,98,500	33.59	-	-
Nippon India Dynamic Bond Fund - Direct Growth Plan	10	8,28,06,868	295.95	8,28,06,868	273.08
ABSL Nifty SDL Apr 2027 Index Fund Direct Growth	10	11,93,21,791	133.91	11,93,21,791	124.89
ABSL CRISIL SDL Plus AAA PSU Apr 2027 60:40 Index Fund Direct Growth	10	5,99,97,000	66.42	5,99,97,000	61.95
ABSL Nifty SDL Plus PSU Bond - Sep 2026 60:40 Index Fund Direct Growth	10	27,13,03,485	305.16	27,13,03,485	284.54
DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Direct-Growth	10	1,99,76,826	22.43	1,99,76,826	20.85
ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10	4,98,46,266	55.38	4,98,46,266	51.69
ICICI Prudential Nifty PSU Bond plus SDL 40:60 Index Fund Sep 2027 Direct Plan Growth	10	19,70,92,310	221.23	19,70,92,310	206.38
Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	4,99,97,500	55.52	4,99,97,500	51.84
Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	1,99,99,000	22.83	1,99,99,000	20.94
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	10	2,99,98,500	33.16	2,99,98,500	30.91
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Direct Growth	10	14,99,92,500	167.50	14,99,92,500	156.22
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027 - Direct Plan	10	4,94,41,775	55.68	4,94,41,775	51.92
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	19,24,13,366	228.44	19,24,13,366	213.01
Axis Crisil SDL 2027 Debt Index Fund Direct Growth (CRDGG)	10	3,00,33,339	33.29	3,00,33,339	31.06
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund Direct Plan Growth	10	14,99,92,500	168.34	14,99,92,500	156.60
HDFC Arbitrage Fund-Wholesale Plan-Growth- Direct Plan	10	3,10,805	0.57	-	-
HDFC Overnight Fund-Direct Plan -Growth	10	8,850	3.14	27,881	9.27
HDFC Liquid-DP-Growth Option (₹11,536 as on 31.03.2024, ₹10,380 as on 31.03.2023)	10	2.43	-	2	-
Structured Equity Instrument					
6% Credit Suisse Auto callable RC on Equities	100 USD	-	-	5,000	3.91
Exchange Traded Funds					
Bharat Bond ETF- April 2023 - Growth	1,000	-	-	12,50,000	153.63
Bharat Bond ETF- April 2031 - Growth	1,000	39,99,800	484.88	39,99,800	445.68

Notes Forming Part of Consolidated Financial Statements

NOTE 17 - CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Bharat Bond ETF- April 2030 - Growth	1,000	34,70,114	470.05	34,70,114	433.77
Bharat Bond ETF- April 2032 - Growth	1,000	19,99,900	227.40	19,99,900	208.57
Nippon India ETF Nifty CPSE Bond Plus SDL - 2024	100	97,82,600	117.60	97,82,600	109.55
Nippon India ETF Nifty SDL - 2026	100	2,25,00,000	269.54	2,25,00,000	251.35
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	8.49	-	-
CSTRIP GS 12-DEC-2027C	100	10,59,600	8.20	-	-
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	75.99	-	-
CSTRIP GS 12-JUN-2028C	100	10,59,600	7.92	-	-
CSTRIP GS 12-DEC-2028C	100	10,59,600	7.65	-	-
CSTRIP GS 12-JUN-2029C	100	10,59,600	7.39	-	-
Perpetual Bonds					
Bank of Baroda					
7.95% Bank of Baroda, Non Convertible Perpetual Bond	1,00,00,000	200	197.85	-	-
State Bank of India					
7.72% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	311	306.54	-	-
7.55% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	150	147.52	-	-
8.34% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	100	101.63	-	-
HSBC Bond					
6.375% HSBC Bond	100 USD	10,000	8.29	-	-
EMIRATES NBD Bond					
6.125% EMIRATES NBD Bond	100 USD	5,000	4.15	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 17.3)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 25th March, 2021	7,500	28,000	-	28,000	-
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16th May, 2021	7,500	52,000	-	52,000	-
IL&FS Financial Services Ltd. (Refer Note 17.3)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. 30th March, 2021	7,500	33,400	-	33,400	-
UNQUOTED					
Preference Shares					

Notes Forming Part of Consolidated Financial Statements

NOTE 17 - CURRENT INVESTMENTS (CONTD.)

(₹ in Crore)

Particulars	Face Value (in ₹*)	As at 31.03.2024		As at 31.03.2023	
		No.	Amount	No.	Amount
Tata Capital Limited					
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	7,50,000	75.00	-	-
Total (B)			**5,223.46**		**3,381.50**
Total (A+B)			**5,264.04**		**3,397.89**

*Except otherwise stated.

17.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS :

(₹ in Crore)

	As at 31.03.2024		As at 31.03.2023	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments	5,189.04	5,188.64	3,397.89	3,396.74
	5,189.04	**5,188.64**	**3,397.89**	**3,396.74**

	As at 31.03.2024	As at 31.03.2023
17.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS	75.00	-

17.3 In August, 2018 credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as "IL&FS Group") credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

NOTE 18 - TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Secured, Considered Good	705.01	646.42
Unsecured		
Considered Good (Refer Note 18.1)	581.52	565.15
Which have Significant Increase in Credit Risk	43.31	43.88
	1,329.84	**1,255.45**
Less: Allowance for Trade Receivables Which have Significant Increase in Credit Risk	43.31	43.88
	1,286.53	**1,211.57**

18.1 Undated /post dated cheques of ₹40.80 crore (as at 31.03.2023: ₹43.87 crore) are held against receivables considered good.

18.2 Refer Note 49 for information about credit risk and market risk of trade receivables.

18.3 The average payment terms with customers within India is generally below 45 days and outside India is 120 days for cement and for clinker against site LC.

NOTE 19 - CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks	191.46	29.49
Cash on Hand	3.13	3.13
Call Deposits with Banks	27.61	4.38
Fixed Deposits with Banks having Original Maturity upto 3 months	40.16	9.17
	262.36	**46.17**

Notes Forming Part of Consolidated Financial Statements

NOTE 20 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Earmarked Balance with Banks for Unpaid Dividend (Refer note 24.1)	4.11	4.29
Margin Money (Pledged with Banks) (Refer note 20.1)	66.21	55.71
Fixed Deposits With Banks (Refer note 20.2)	89.13	76.64
Less: Fixed Deposits Maturity More Than 12 Months Disclosed Under Other Non-Current Financial Assets (Refer note 12)	-	(21.88)
	159.45	**114.76**

20.1 Includes deposits of ₹64.08 crore (As at 31.03.2023 : ₹40.92 crore) are pledged with banks against overdraft facilities. (Refer Note 26.2)

20.2 Includes ₹74.62 crore (As at 31.03.2023 : ₹71.12 crore) given as security to Government department and others.

NOTE 21 - SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Authorised		
6,00,00,000 (As at 31.03.2023 : 6,00,00,000) Equity Shares of ₹10/- each	60.00	60.00
15,00,000 (As at 31.03.2023 : 15,00,000) Cumulative Preference Shares of ₹100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at 31.03.2023 : 3,60,80,748) Equity Shares of ₹10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

21.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31.03.2024		As at 31.03.2023	
	Number of Shares held	% of Total Paid-up Equity Share Capital	Number of Shares held	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

21.2 Shares held by promoters are as follows:

Promoters Name	As at 31.03.2024			As at 31.03.2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Promoters						
Harimohan Bangur[1]	4,88,284	1.353%	-	4,88,284	1.353%	-
Prashant Bangur[2]	3,89,750	1.080%	-	3,89,750	1.080%	-
Benu Gopal Bangur	-	-	-	-	-	-
Promoters Group						
Rajkamal Devi Bangur	1,26,100	0.349%	-	1,26,100	0.349%	-
Ranu Bangur	67,700	0.188%	-	67,700	0.188%	-

Notes Forming Part of Consolidated Financial Statements

21.2 Shares held by promoters are as follows (Contd.)

Promoters Name	As at 31.03.2024			As at 31.03.2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Riya Puja Jain	2,050	0.006%	-	2,050	0.006%	-
Padma Devi Maheshwari*	-	-	-	-	-	-0.002%
Shree Capital Services Ltd.	89,84,155	24.900%	-	89,84,155	24.900%	-
Digvijay Finlease Ltd.	42,34,780	11.737%	-	42,34,780	11.737%	-
Mannakrishna Investments Pvt. Ltd.	20,42,824	5.662%	-	20,42,824	5.662%	-
Newa Investments Pvt. Ltd.	13,76,270	3.814%	-	13,76,270	3.814%	-
Ragini Finance Ltd.	12,68,882	3.517%	-	12,68,882	3.517%	-
Didu Investments Pvt. Ltd.	11,70,909	3.245%	-	11,70,909	3.245%	-
N.B.I. Industrial Finance Company Ltd.	8,49,450	2.354%	-	8,49,450	2.354%	-
The Venktesh Co. Ltd.	4,60,030	1.275%	-	4,60,030	1.275%	-
Rajesh Vanijya Pvt. Ltd.	3,69,226	1.023%	-	3,69,226	1.023%	-
The Didwana Investment Company Ltd.	3,27,400	0.907%	-	3,27,400	0.907%	-
Asish Creations Private Ltd.	2,10,737	0.584%	-	2,10,737	0.584%	-
Western India Commercial Co. Ltd.	2,00,650	0.556%	-	2,00,650	0.556%	-
Total	**2,25,69,197**	**62.552%**	**-**	**2,25,69,197**	**62.552%**	**-0.002%**

* During the year ended 31.03.2023, shareholding of Padma Devi Maheshwari has been reclassified from 'Promoter Group' to 'Public' shareholders in terms of approval granted by the stock exchanges on 4th November, 2022.

[1] Out of the 4,88,284 shares held by Mr. Harimohan Bangur, the beneficial Interest on 10,100 shares is held by the following Trusts/Institution (Belonging to Promoters Group):

- Sunder Devi Bangur Family Benefit Trust (Private Trust): 3000 shares

- Sri Rama Nidhi (Family Deity): 7100 shares.

[2] Out of the 3,89,750 shares held by Mr. Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group).

21.3 The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

21.4 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.

21.5 Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	Numbers	₹ in Crore
Equity shares outstanding as at 01.04.2022	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31.03.2023	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31.03.2024	**3,60,80,748**	**36.08**

		As at 31.03.2024	As at 31.03.2023
21.6	Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:	Nil	Nil
21.7	The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and annual listing fees has been paid for the year.		

Notes Forming Part of Consolidated Financial Statements

NOTE 22 - OTHER EQUITY

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Capital Redemption Reserve	15.00	15.00
Capital Reserve	10.84	10.84
Securities Premium	2,408.63	2,408.63
Statutory Reserve	12.57	5.20
General Reserve	7,000.00	7,000.00
Retained Earnings	10,731.64	8,716.36
Foreign Currency Translation Reserve	490.32	449.24
Effective Portion of Cash Flow Hedges	(2.16)	(4.95)
	20,666.84	**18,600.32**

22.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

NOTE 23 - BORROWINGS

(₹ in Crore)

	Non-Current Portion		Current Maturities	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Secured				
External Commercial Borrowings	-	227.97	231.34	837.79
Indian Rupee Term Loans from Banks	-	339.58	54.58	149.58
Interest Free SGST Loan from Government	14.35	13.32	-	-
Redeemable Non-Convertible, Non-Cumulative Debentures	698.73	-	-	-
	713.08	**580.87**	**285.92**	**987.37**
Amount disclosed under the head Current Borrowings (Refer Note 26)	-	-	(285.92)	(987.37)
	713.08	**580.87**	**-**	**-**

23.1 Nature of securities and terms of repayment of each loan:

(₹ in Crore)

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2024	Loan Amount as at 31.03.2023	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months USD LIBOR+0.70% as on 31.03.2023 & upto 28.09.2023 3 Months Cumulative Compounded SOFR+0.26161%+ 0.70% w.e.f. 29.09.2023 (Fixed rate of 7.81% on ₹ including the effect of related cross currency and interest rate swaps)	231.34	455.93	Repayable in 2 half yearly equal instalments of USD 1.389 crore w.e.f. 28.09.2024.
		3 Months USD LIBOR+0.71% as on 31.03.2023 & upto 27.09.2023 3 Months Cumulative compounded SOFR+0.26161%+ 0.71% w.e.f. 28.09.2023 (Fixed rate of 7.82% on ₹ including the effect of related cross currency and interest rate swaps)	-	246.25	Fully repaid in FY 2023-24
		2.72% on SGD (Fixed rate of 7.96% on ₹ including the effect of related cross currency and interest rate swaps [USD to ₹])	-	363.58	Fully repaid in FY 2023-24

Notes Forming Part of Consolidated Financial Statements

23.1 Nature of securities and terms of repayment of each loan (Contd.)

(₹ in Crore)

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2024	Loan Amount as at 31.03.2023	Terms of Repayment
	Indian Rupee Term Loans from Banks				
2	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	1/2/3 Months T-Bill rate (as decided by borrower on each interest reset date) +1.20%	-	380.00	Full prepayment made in FY 2023-24
		91 days T-Bill rate +1.21%	54.58	109.16	Repayable as on 31.03.2025
	Interest free SGST Loan from Government				
3	Secured by bank guarantee	Interest free loan	14.35	13.32	Repayable on 16.08.2032 & 26.03.2033.
	Redeemable Non-Convertible, Non-Cumulative Debentures				
4	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term/ ECB lenders.	7.80% per annum payable annually	698.73	-	Repayable on 26.10.2030
	Total		**999.00**	**1,568.24**	
	Less: Current Maturities of Long Term Debt		285.92	987.37	
	Total Non-Current Portion		**713.08**	**580.87**	

There is no default in repayment of principal and interest thereon.

Notes Forming Part of Consolidated Financial Statements

NOTE 24 - FINANCIAL LIABILITIES - OTHERS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Interest Accrued but not Due on Borrowings	-	-	28.96	3.32
Derivative Financial Instruments	-	-	4.34	14.79
Unpaid Dividends (Refer Note 24.1)	-	-	14.75	14.79
Security Deposits from Customers, Vendors & Others	142.72	172.41	881.85	892.05
Payable for Capital Goods	-	-	154.21	176.95
Others (Refer Note 24.2)	-	-	599.39	436.85
	142.72	**172.41**	**1,683.50**	**1,538.75**

24.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at 31.03.2024 and 31.03.2023 (Refer note 20).

24.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

NOTE 25 - PROVISIONS

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for Employee Benefits				
Gratuity [Refer note 40(b)]	-	0.02	0.66	0.06
End of Service Benefits [Refer Note 40(b)]	18.44	20.91	-	-
Other Staff Benefit Schemes	3.48	4.28	10.45	9.54
Other Provisions				
Mines Reclamation Expenses (Refer Note 41)	8.80	8.71	0.60	0.66
	30.72	**33.92**	**11.71**	**10.26**

NOTE 26- CURRENT BORROWINGS

(₹ in Crore)

	As at 31.03.2024	As at 31.03.2023
Secured		
Loans Repayable on Demand from Banks (Refer Note 26.1)	148.48	939.78
Bank Overdraft (Refer Note 26.2)	28.44	31.82
Current Maturities of Long-Term Debt	285.92	987.37
Unsecured		
Loans Repayable on Demand from Banks	299.00	-
	761.84	**1,958.97**

26.1 Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

26.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 20.1)

26.3 There is no default in repayment of principal and interest thereon.

26.4 Quarterly returns/ statements of current assets filed by the Company with banks/ financial institutions are in agreement with the books of accounts.

Notes Forming Part of Consolidated Financial Statements

NOTE 27 - OTHER LIABILITIES

(₹ in Crore)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Customers Advances (Refer Note 27.1)	-	-	317.14	271.00
Deferred Income on Government Grants	6.19	-	3.23	-
Liabilities towards dealer incentives (Refer Note 27.2)	-	-	469.97	272.66
Statutory Liabilities (Refer Note 27.3)	18.36	-	1,229.75	1,123.13
	24.55	**-**	**2,020.09**	**1,666.79**

27.1 Revenue of ₹254.64 crores (for the year ended 31.03.2023 : ₹217.87 crores) is recognised during current year that was included in customer advances outstanding at the beginning of the year.

27.2 Liability towards dealer incentive relates to in-kind discount granted to the customers as part of sales transaction.

27.3 Includes liabilities related to GST,TDS, Provident Fund and Other Statutory Dues etc.

NOTE 28 - REVENUE FROM OPERATIONS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Sale of Products		
Sale of Manufactured Goods	18,460.16	16,516.36
Power Sales	1,611.99	826.56
Services	6.21	5.47
Traded Goods and Others	13.30	92.65
	20,091.66	**17,441.04**
Other Operating Revenue		
Incentives and Subsidies (Under Various Incentive Schemes of State and Central Government)	154.45	124.98
Scrap Sales	48.37	55.05
Insurance Claims	29.54	8.03
Provision No Longer Required	3.21	75.28
Balances Written Back	57.89	39.28
Others	135.86	108.67
	429.32	**411.29**
	20,520.98	**17,852.33**

28.1 Sale of products is net of ₹1,750.21 crore (for the year ended 31.03.2023 : ₹1,358.34 crore) on account of cash discount, rebates and incentives given to customers.

NOTE 29 - OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Income		
On Deposits Classified at Amortised cost	18.28	13.72
On Investments Classified at Amortised cost	183.56	236.71
On Investments Classified at Fair Value Through Profit or Loss	56.85	53.33
On Tax Refund	12.24	1.94
Others	0.05	0.58
Dividend Income on Investments Classified at Fair Value through Profit or Loss	6.15	6.14

Notes Forming Part of Consolidated Financial Statements

NOTE 29 - OTHER INCOME (CONTD.)

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	(22.80)	(4.78)
Classified at Fair Value through Profit or Loss	6.30	2.90
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	327.36	131.07
Profit on Sale of Property, Plant and Equipment (Net)	8.15	16.65
Gain on Sale of Precious Metals	1.77	-
Other Miscellaneous Income	0.21	0.82
	598.12	**459.08**

NOTE 30 - COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Raw Materials Consumed		
Gypsum	207.98	216.77
Fly Ash	527.85	524.94
Red Ochre and Slag	150.94	148.32
Sulphuric Acid	73.16	51.25
Others	687.52	476.44
	1,647.45	**1,417.72**

NOTE 31 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Closing Stock		
Work-in-Progress	446.04	385.66
Finished Goods	157.72	128.76
Stock-in-Trade	0.04	0.05
	603.80	**514.47**
Opening Stock		
Work-in-Progress	385.66	332.71
Finished Goods	128.76	101.96
Stock-in-Trade	0.05	0.01
	514.47	**434.68**
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	1.52	4.47
(Increase) / Decrease	**(87.81)**	**(75.32)**

NOTE 32 - EMPLOYEE BENEFITS EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Salaries, Wages and Bonus (Refer note 40)	932.41	854.59
Contribution to Provident and other Funds (Refer note 40)	105.67	101.25
Staff Welfare Expenses	26.35	21.93
	1,064.43	**977.77**

Notes Forming Part of Consolidated Financial Statements

NOTE 33 - FREIGHT AND FORWARDING EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
On Finished Products	3,238.10	2,782.46
On Inter Unit Clinker Transfer	912.43	1,001.17
	4,150.53	**3,783.63**

NOTE 34 - FINANCE COSTS

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Expenses at Amortised Cost	242.67	259.04
Bank and Other Finance Charges	3.40	3.29
Interest Expenses on Lease Liabilities	11.16	7.78
Unwinding of Interest on Interest free SGST loan from Government/ Deferred Liabilities	1.18	0.57
Unwinding of Discount on Provision	0.66	0.61
	259.07	**271.29**
Less: Interest Capitalised (Refer Note 34.1)	0.73	8.42
	258.34	**262.87**

34.1 During the year ended 31.03.2024, borrowing costs are capitalised using interest rates of 6.00% to 7.80% per annum (for the year ended 31.03.2023 : 4.88% to 7.59% per annum).

NOTE 35 - OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2024	For the year ended 31.03.2023
Stores and Spares Consumed	533.38	527.49
Packing Materials Consumed	539.02	562.28
Royalty and Cess	394.07	337.70
Mines Reclamation Expenses	0.54	0.75
Repairs to Plant and Machinery, Buildings & Others	583.18	465.80
Insurance	23.42	19.34
Rates and Taxes	22.39	32.14
Travelling	60.99	43.98
Legal and professional fees	72.90	76.87
Commission to Non-executive Directors	1.65	1.96
Directors' Sitting Fees and Expenses	1.26	1.52
Advertisement and Publicity	159.73	138.15
Sales Promotion and Other Selling Expenses	297.18	268.87
Foreign Exchange Rate Differences (Net)	(1.04)	(6.25)
Corporate Social Responsibility Expenses (Refer Note 35.1)	51.55	70.55
Assets Written Off	0.20	9.89
Bad Debts Written Off	1.51	0.58
Allowance for Doubtful Trade Receivables (Net)	(1.14)	0.18
Contribution to Political Parties	1.52	-
Miscellaneous (Refer Note 35.2)	166.30	129.64
	2,908.61	**2,681.44**

Notes Forming Part of Consolidated Financial Statements

35.1 Details of Corporate Social Responsibility ("CSR") Expenses:

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended 31.03.2024 is ₹56.61 crore (for the year ended 31.03.2023 : ₹56.29 crore).

(b) The Company has spent ₹51.55 crore (for the year ended 31.03.2023 : ₹70.55 crore) on the various Corporate Social Responsibility Activities. There is excess CSR expenses of ₹9.20 crore as on 31.03.2024 (₹14.26 crore as on 31.03.2023).

(c) The projects/ activities undertaken by the Company in the field of Corporate Social Responsibility fall within the broad framework of schedule VII to the Companies Act, 2013 which interalia include education, healthcare, sustainable livelihood, woman empowerment, rural and infrastructure development, environment protection, support widows/ dependents of martyrs of arm forces and promotion of art & culture, epitomising a holistic approach to inclusive growth.

(d) Refer Note 43 for related party transactions in relation to Corporate Social Responsibility Expenses.

35.2 Miscellaneous Expenses include the payments made to Auditors:

	For the year ended 31.03.2024	For the year ended 31.03.2023
Statutory Auditors		
Audit Fees	1.11	0.97
Tax Audit Fees	0.18	0.18
Certification / Other Services	0.13	0.16
Reimbursement of Expenses	0.07	0.09
Cost Auditors		
Audit Fees	0.06	0.06
Certification / Other Services	-	-
Reimbursement of Expenses - ₹47,903 (For the year ended 31.03.2023 - ₹22,418)	-	-

NOTE 36 - CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹76.62 crore (As at 31.03.2023: ₹74.20 crore).

b. Service Tax and Education Cess (including interest) ₹1.54 crore (as at 31.03.2023: ₹1.44 crore).

c. VAT (for Union Cement Company PJSC) ₹16.12 crore (as at 31.03.2023: ₹Nil).

d. **(i)** Competition Commission of India (CCI), vide its order dated 31st August, 2016 imposed a penalty of ₹397.51 crore on the Company for alleged violation of provisions of the Competition Act, 2002. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7th November, 2016, granted stay on CCI's order subject to deposition of 10% of penalty amount and payment of balance amount of penalty with interest @ 12% per annum from the date of CCI's order if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

(ii) In another matter, CCI vide its order dated 19th January 2017 imposed a penalty of ₹18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. On the Company's appeal against the said order, COMPAT granted stay on the operation of the said CCI order. The matter is now listed before NCLAT and pending for hearing.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

e. The Divisional Bench of Hon'ble Rajasthan High Court vide Judgement dated 6th December, 2016 has allowed the appeal filed by Commercial Taxes Department / Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits.

The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹37.84 crore received and ₹317.54 crore not received though accounted for.

NOTE 37 - COMMITMENT

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹1,743.29 crore (As at 31.03.2023: ₹1,590.26 crore).

NOTE 38 - CAPITAL WORK-IN-PROGRESS ("CWIP")

a. Capital work-in-progress includes directly attributable expenses of ₹135.98 crore (As at 31.03.2023: ₹328.44 crore) which includes depreciation of ₹35.42 crore (for the year ended 31.03.2023: ₹137.70 crore) on assets during construction period.

b. **Movement in CWIP Balances is as follows:**

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	2,796.61	1,053.52
Add: Additions in CWIP during the year	2,659.56	3,122.78
Less: Capitalized to Property, Plant and Equipment during the year	3,526.68	1,380.99
Add/(Less):Effect of Foreign Currency Translation	0.18	1.30
Closing Balance	**1,929.67**	**2,796.61**

c. **Ageing of Capital Work in Progress is as follows:**

(₹ in Crore)

As at 31.03.2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,586.25	254.62	82.53	6.27	1,929.67
Projects temporarily suspended	-	-	-	-	-

(₹ in Crore)

As at 31.03.2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,374.42	396.62	21.65	3.92	2,796.61
Projects temporarily suspended	-	-	-	-	-

d. There is no project in capital work in progress as on 31.03.2024 which has been delayed from original plan (There was one project amounting to ₹451.52 crore delayed due to right of way issues and some material supplies issues as on 31.03.2023 from original plan and commissioned in second quarter of financial year 2023-24).

NOTE 39 - EXPENDITURE ON RESEARCH AND DEVELOPMENT:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Capital	39.58	12.02
Revenue	19.20	25.81
Total	**58.78**	**37.83**

Notes Forming Part of Consolidated Financial Statements

NOTE 40 - EMPLOYEE BENEFITS: (REFER NOTE 32)

(a) Contribution to defined contribution plans recognized as expenses are as under:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Superannuation Fund	10.07	10.42
Provident Fund [Includes contribution to PF trust ₹Nil (₹6.52 crore for the year ended 31.03.2023)]	66.24	62.71
National Pension Scheme	7.23	6.21
Retirement Pension and Social Security Scheme	1.76	2.45
ESIC	0.25	0.27
Total	**85.55**	**82.06**

(b) Defined Benefit Plan

(i) **Gratuity -** The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India. The scheme is unfunded for subsidiary companies.

(ii) **End of Service Benefit-** End of service benefit is payable to Non UAE National employees (in subsidiary companies based in UAE) based on the employee' service and last drawn salary at the time of leaving the services of the Group and in accordance with the rule of the Group for payment of end of service benefit. The scheme is unfunded.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Crore)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		End of Service Benefit (Unfunded)	
	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023
Changes in Defined Benefit Obligations:						
Present value of defined benefit obligations at the beginning of the year	349.08	321.78	0.08	0.07	20.91	17.96
Current service cost	32.20	28.66	0.03	0.02	1.83	2.45
Interest cost	24.48	21.22	0.01	-**	1.06	0.68
Re-measurements (gains)/losses	(2.24)	(3.35)	0.03	(0.01)	(2.76)	(0.49)
Benefits paid	(17.97)	(19.23)	-	-	(2.86)	(1.25)
Foreign currency translation	-	-	-	-	0.26	1.56
Present Value of Defined Benefit Obligations at the end of the year	**385.55**	**349.08**	**0.15**	**0.08**	**18.44**	**20.91**
Change in Plan Assets:						
Fair value of plan assets at the beginning of the year	349.08	321.04	-	-	-	-
Expected return on plan assets	25.44	21.93	-	-	-	-
Re-measurements gains/(losses)	2.05	3.13	-	-	-	-
Contribution by employer	26.44	22.21	-	-	2.86	1.25
Benefits paid	(17.97)	(19.23)	-	-	(2.86)	(1.25)
Fair Value of Plan Assets at the end of the year	**385.04**	**349.08**	**-**	**-**	**-**	**-**
Expenses Recognized in the Statement of Profit and Loss						
Current service cost	32.20	28.66	0.03	0.02	1.83	2.45

Notes Forming Part of Consolidated Financial Statements

NOTE 40 - EMPLOYEE BENEFITS: (REFER NOTE 32) (CONTD.)

(₹ in Crore)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		End of Service Benefit (Unfunded)	
	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023
Past service cost	-	-	-	-	-	-
Interest cost	24.48	21.22	0.01	-*	1.06	0.68
Expected return on plan assets	(25.44)	(21.93)	-	-	-	-
Expenses Recognized in the Statement of Profit and Loss	**31.24**	**27.95**	**0.04**	**0.02**	**2.89**	**3.13**
Expenses recognized in Other Comprehensive Income (OCI)						
Return on plan assets (excluding amount included in net Interest expense)	(2.05)	(3.13)	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA	-	-	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	18.97	18.13	0.01	(0.01)	(2.50)	(0.06)
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(21.21)	(21.48)	0.02	-	(0.26)	(0.43)
Total recognized in Other Comprehensive Income	**(4.29)**	**(6.48)**	**0.03**	**(0.01)**	**(2.76)**	**(0.49)**
Total recognized in Total Comprehensive Income	**26.95**	**21.47**	**0.07**	**0.01**	**0.13**	**2.64**
Amount recognized in the Balance Sheet consists of						
Present Value of Defined Benefit Obligations	385.55	349.08	0.15	0.08	18.44	20.91
Fair Value of Plan Assets	385.04	349.08	-	-	-	-
Net Liability	0.51	-**	0.15	0.08	18.44	20.91
The Major Categories of Plan Assets as a % of Total Plan						
Qualifying Insurance Policy	**100%**	**100%**	**NA**	**NA**	**NA**	**NA**

* ₹44,958
** ₹33,000

The Principal actuarial assumption used:

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		End of Service Benefit (Unfunded)	
	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023
Discount Rate	7.00 % per annum	7.20 % per annum	7.00 % per annum	7.20 % per annum	5.40% per annum	5.50% per annum
Salary Escalation Rate	13.65 % per annum	13.40 % per annum	10.00 % per annum	8.00 % to 10.00 % per annum	2.00 % per annum	3.75 % per annum
Mortality Rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Rate of return	7.00 % per annum	7.20 % per annum	NA	NA	NA	NA

Notes Forming Part of Consolidated Financial Statements

The Principal actuarial assumption used (Contd.)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		End of Service Benefit (Unfunded)	
	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023
Withdrawal Rate (Per Annum)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)	2.00% p.a. (18 to 30 Years)	2.00% p.a. (18 to 30 Years)
Withdrawal Rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)
Withdrawal Rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as interest rate risk, longevity risk and salary risk.

The Gratuity scheme is invested in group gratuity-cum-life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31.03.2024 are as follows:

Gratuity (Funded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Funded	(41.33)	49.75	46.14	(39.45)	(17.64)	20.51

Gratuity (unfunded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Unfunded	(0.02)	0.03	0.03	(0.02)	(0.01)	0.01

End of Service Benefit (Unfunded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Unfunded	(1.27)	1.45	1.48	(1.32)	0.53	(0.59)

Sensitivity Analysis for significant assumptions as on 31.03.2023 are as follows:

Gratuity (Funded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Funded	(37.98)	45.74	42.62	(36.38)	(15.49)	18.03

Notes Forming Part of Consolidated Financial Statements

Gratuity (unfunded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Unfunded	(0.01)	0.02	0.01	(0.01)	(0.00)*	0.00**

*₹(34,236)
**₹40,066

End of Service Benefit (Unfunded)-

(₹ in Crore)

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligations-Unfunded	(1.54)	1.76	1.76	(1.56)	0.40	(0.45)

The Company expects to contribute ₹25.00 crore (Previous year ₹25.00 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligations are as follows:

- Gratuity - Funded - as at 31.03.2024 is 9 years (as at 31.03.2023: 9 years).
- Gratuity - Unfunded - as at 31.03.2024 is 10 to 20 years (as at 31.03.2023: 10 years).
- End of Service Benefit- as at 31.03.2024 is 10 years (as at 31.03.2023: 11 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

(₹ in Crore)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		End of Service Benefit (Unfunded)	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Within next 1 year	16.61	16.33	0.00**	0.00***	1.65	2.01
Between 1 and 2 years	17.03	13.90	0.00**	0.00***	1.93	1.45
Between 2 and 3 years	21.70	14.36	0.01	0.00***	1.88	2.30
Between 3 and 4 years	23.53	21.34	0.02	0.01	2.21	1.93
Between 4 and 5 years	72.85	25.06	0.01	0.02	3.06	2.14
5 years onwards	1,056.43	977.25	0.10	0.14	42.20	47.90

** within 1 year ₹18,605, Between 1 and 2 years- ₹23,467
*** within 1 year ₹8,095, Between 1 and 2 years- ₹15,782, Between 2 and 3 years- ₹19,932

(c) Provident fund managed by a trust set up by the Company:

The provident fund trust ("PF trust") managed by the Company has been surrendered to 'Employee Provident Fund Organisation' ("EPFO") w.e.f. 1st April, 2023. Accordingly, the entire corpus and related liability has since been transferred by PF Trust to EPFO and thus there is no liability owed or plan assets owned by the PF trust w.e.f. 1st April, 2023.

(d) Amount recognized as an expense in respect of leave encashment and compensated absences are ₹29.40 crore (₹28.04 crore for year ended 31.03.2023).

NOTE 41 - PROVISION FOR MINES RECLAMATION EXPENSES

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**9.37**	**8.66**
Add: Provision made during the year (Refer Note 34)	0.54	0.75
Add: Unwinding of discount of provision (Refer Note 33)	0.66	0.61
Less: Utilized during the year	1.17	0.65
Closing Balance	**9.40**	**9.37**

Notes Forming Part of Consolidated Financial Statements

NOTE 42 - SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information are given below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue from Operations		
Within India	19,166.94	16,805.43
Outside India	1,354.04	1,046.90
Total	**20,520.98**	**17,852.33**
Non- Current Assets		
Within India	10,574.12	9,087.12
Outside India	1,899.48	1,991.29
Total	**12,473.60**	**11,078.41**

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

NOTE 43 - RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) For Company's principal shareholders, Refer Note No. 21.

(b) **Subsidiary Company**

(i) Shree Cement East Bengal Foundation (Refer Note 10.3)

(c) **Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:**

(i) The Kamla Company Limited
(ii) Shree Capital Services Ltd.
(iii) Aqua Infra Project Limited
(iv) Alfa Buildhome Private Limited
(v) Rajasthan Forum
(vi) The Bengal
(vii) Education For All Trust
(viii) Shree Foundation Trust
(ix) Surya Devta Properties Private Limited
(x) Arnavi Green Building Materials Private Limited (Formerly known as Ashtech Buildpro India Private Limited)
(xi) Global Smart Comtrade Pte. Limited (w.e.f 13.01.2023)
(xii) ASAT Logistics Private Limited (w.e.f 15.05.2023)
(xiii) Ansh Investments Limited
(xiv) Best Cement Material Transport LLC (upto 25.06.2022)

(d) **Key Management Personnel:**

(i) Shri H.M. Bangur	Chairman
(ii) Shri Prashant Bangur	Vice Chairman
(iii) Shri Neeraj Akhoury	Managing Director (w.e.f 14.10.2022)
(iv) Shri P.N. Chhangani	Whole Time Director (upto 13.02.2023)

(e) **Post-Employment Benefit Plan Trust:**

(i) Shree Cement Staff Provident Fund (Refer note 40 (c))
(ii) Shree Cement Employees Group Gratuity Scheme
(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) **Details of transactions with related parties:**

Notes Forming Part of Consolidated Financial Statements

NOTE 43 - RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Sale of Goods/Material		
Arnavi Green Building Materials Private Limited	9.59	5.64
Best Cement Material Transport LLC	-	2.01
Sale of Land/Assets		
Alfa Buildhome Private Limited	-	0.39
ASAT Logistics Pvt. Ltd	12.39	-
Purchase of Goods/Material		
Aqua Infra Projects Ltd.	-	0.30
Arnavi Green Building Materials Private Limited	3.02	0.21
Global Smart Comtrade Pte. Limited	323.11	-
Services Received		
Shree Cement East Bengal Foundation	-	7.52
The Kamla Company Limited	0.69	0.69
Alfa Buildhome Pvt. Ltd.	3.39	2.42
Aqua Infra Projects Ltd.	0.05	0.08
Suryadewata Properties Pvt. Ltd.	1.20	0.39
ASAT Logistics Pvt. Ltd.	101.18	-
Shree Capital Services Ltd.	0.53	0.50
Ansh Investments Limited	0.98	1.10
Services Given		
ASAT Logistics Pvt. Ltd.	0.04	-
KMP	0.38	-
Interest Income on Loan		
Shree Cement East Bengal Foundation	0.02	0.30
Contributions Towards Corporate Social Responsibilities		
Shree Cement East Bengal Foundation	-	1.55
Shree Foundation Trust	19.35	37.90
Education For All	2.28	2.25
Rajasthan Forum	2.67	1.99
The Bengal	5.13	4.23
Advances Given for Services		
Best Cement Material Transport LLC	-	0.89
Capital Advances Given		
Alfa Buildhome Pvt. Ltd.	-	4.70
Deposit Given		
Alfa Buildhome Pvt. Ltd.	0.13	-
Suryadewata Properties Pvt. Ltd.	-	0.20
Repayment Received of Loan Given		
Shree Cement East Bengal Foundation	1.98	18.77
Reimbursement given for payment made on behalf of the Company by		
Alfa Buildhome Pvt. Ltd.	-*	-*
Reimbursement of Expenses for Payment made by the Group on Behalf of :		
ASAT Logistics Pvt. Ltd.	4.44	-

*₹15,834 (for year ended 31.03.2023: ₹31,233)

Notes Forming Part of Consolidated Financial Statements

NOTE 43 - RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(b) Details of Balances with Related Parties

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposit Receivable		
Alfa Buildhome Pvt. Ltd.	0.76	0.63
Suryadewata Properties Pvt. Ltd.	0.20	0.20
Loan Receivable		
Shree Cement East Bengal Foundation	-	1.98
Interest Receivable		
Shree Cement East Bengal Foundation	-	0.02
Capital Advances		
Alfa Buildhome Pvt. Ltd.	4.70	4.70
Other Receivable		
ASAT Logistics Pvt. Ltd.	20.78	-

(c) Key Management Personnel:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Short Term Benefits	103.49	94.88
Post - Employment Benefits*	5.96	7.54
Total	**109.45**	**102.42**

*As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Information on Transactions With Post-Employment Benefit Plans:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Contribution (including related insurance premium) paid/payable		
Shree Cement Staff Provident Fund	-	6.52
Shree Cement Employees Group Gratuity Scheme	27.07	23.03
Shree Cement Ltd., Superannuation Scheme	10.07	10.42

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. There are no loss allowances required to be recognized for related party receivables as on 31.03.2024 and 31.03.2023.

For Company's principal shareholders, Refer Note No. 21.

NOTE 44 - Disclosure of Loans & Advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

(₹ in Crore)

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Shree Cement East Bengal Foundation (for meeting its working capital requirements*)	-	1.98	1.98	20.75	-	-

* Unsecured Loan repayable on demand at interest rate of 8% per annum as at 31.03.2023. This constitutes 18.68% of total loans given as at 31.03.2023.

Notes Forming Part of Consolidated Financial Statements

NOTE 45 - EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Profit Before Tax	2,959.20	1,495.04
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,034.06	522.43
Increase/(Reduction) in Taxes on Account of:		
Additional Allowances for Tax Purpose	(13.92)	(4.20)
Items not Deductible for Tax/not Liable to Tax (Net)	(437.25)	(122.02)
Tax losses Unutilized / Items Taxed at Different Rate	(65.38)	(18.39)
Recognition of Deferred Tax Liabilities related to earlier period business combination (Refer note 45.1)	28.77	-
Current Tax Expense Relating to Earlier Years (Net)	-	(13.10)
MAT Credit Relating to Earlier Years	-	(141.21)
Others	16.76	2.39
Income Tax Expense Reported	**563.04**	**225.90**

45.1 On 9th December, 2023, the UAE Ministry of Finance released Federal Decree Law no. 47 of 2022 on the Taxation of Corporation and Business ("CT Law"). The CT Law shall be applicable on Shree Global Fze and its subsidiaries (i.e. Company's Subsidiaries) w.e.f. 01.04.2024. Accordingly, based on the current provision of CT law and in accordance with Ind AS 12- Income Taxes, the Company has recognized a deferred tax liabilities of ₹28.77 crore on temporary differences arised in respect of purchase price allocation adjustments related to earlier period business combinations.

NOTE 46 - Changes in liabilities arising from financing activities, including both changes arising from cash flows and non- cash changes as per Ind AS 7- Statement of Cash flows are shown below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance of Borrowings (excluding Bank Overdraft)	**2,508.02**	**1,993.33**
Changes from Financing Cash Flows due to Proceeds from / (Repayment) of Borrowings	(962.22)	454.84
The Effect of Changes in Foreign Exchange Rates	(101.48)	71.73
Amortization of Transaction Cost on Borrowings	1.14	1.55
Gain on Fair Value of Interest Free SGST Loan from Government	-	(14.00)
Unwinding of Interest on Interest Free SGST Loan from Government	1.02	0.57
Closing Balance of Borrowings (excluding Bank Overdraft)	**1,446.48**	**2,508.02**

NOTE 47 - CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2024 as compared to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

Notes Forming Part of Consolidated Financial Statements

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity, and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Equity Share Capital	36.08	36.08
Other Equity	20,666.84	18,600.32
Total Equity	**20,702.92**	**18,636.40**
Long Term Debt (Including Current Maturities)	999.00	1,568.24
Debt to Equity Ratio	**0.05**	**0.08**

NOTE 48 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Amortized Cost				
Investments in Bonds and Debentures	2,192.68	2,205.85	3,645.56	3,602.79
Loans	7.05	7.05	10.60	10.60
Trade Receivables	1,286.53	1,286.53	1,211.57	1,211.57
Cash and Cash Equivalents and Other Bank Balances	421.81	421.81	160.93	160.93
Other Financial Assets	318.56	318.56	320.08	320.08
Financial Assets Classified at Fair Value Through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Structured Equity Instruments, Exchange Traded Funds and STRIPS issued by the Govt. of India	5,363.15	5,363.15	5,037.58	5,037.58
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	30.19	30.19	133.42	133.42
Forward Contracts	1.95	1.95	5.67	5.67
Total Financial Assets	**9,621.92**	**9,635.09**	**10,525.41**	**10,482.64**
Financial Liabilities Classified at Amortized Cost				
Non-Current Borrowings at Floating Rate	-	-	567.55	567.55
Non-Current Borrowings at Fixed Rate	698.73	733.94	-	-
Interest Free SGST Loan from Government	14.35	14.35	13.32	13.32
Lease Liabilities	180.63	180.63	184.83	184.83
Short Term Borrowings	761.84	761.84	1,958.97	1,958.97
Trade Payables	1214.23	1,214.23	1,196.00	1,196.00
Other Financial Liabilities	1,821.88	1,821.88	1,696.37	1,696.37
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	-	-	5.04	5.04
Forward Contracts	4.34	4.34	9.75	9.75
Total Financial Liabilities	**4,696.00**	**4,731.21**	**5,631.83**	**5,631.83**

Notes Forming Part of Consolidated Financial Statements

NOTE 48 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings and interest free SGST loans from government approximates to their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non- performance for the Company is considered to be insignificant in valuation.

c) The fair value of derivative is estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e. unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities grouped into Level 1 to Level 3 as described below:

Assets and Liabilities Classified at Fair Value (Accounted)

(₹ in Crore)

Particulars	As at 31.03.2024			
	Level 1	Level 2	Level 3	Total
Financial Assets Classified at Fair Value				
Investments				
Mutual Funds	2,708.12	-	-	2,708.12
Preference Shares	-	75.00	-	75.00
Exchange Traded Funds	1,569.47	-	-	1,569.47
Perpetual Bonds	141.38	753.54	-	894.92
STRIPS issued by the Govt. of India	115.64	-	-	115.64
Derivatives Designated as Hedges	-	32.14	-	32.14
Financial Liabilities Classified at Fair Value				
Derivatives Designated as Hedges	-	4.34	-	4.34

Notes Forming Part of Consolidated Financial Statements

NOTE 48 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

(₹ in Crore)

Particulars	As at 31.03.2023			
	Level 1	Level 2	Level 3	Total
Financial Assets Classified at Fair Value				
Investments				
Mutual Funds	2,556.42	-	-	2,556.42
Preference Shares	-	73.53	-	73.53
Exchange Traded Funds	1,602.55	-	-	1,602.55
Perpetual Bonds	41.26	652.59	-	693.85
Structured Equity Instruments	3.91	-	-	3.91
STRIPS issued by the Govt. of India	107.32	-	-	107.32
Derivatives Designated as Hedges	-	139.09	-	139.09
Financial Liabilities Classified at Fair Value				
Derivatives Designated as Hedges	-	14.79	-	14.79

Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

(₹ in Crore)

Particulars	As at 31.03.2024			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	404.07	1,801.78	-	2,205.85
Loans	-	7.05	-	7.05
Other Financial Assets	-	318.56	-	318.56
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	733.94	-	733.94
Interest Free SGST Loan from Government	-	14.35	-	14.35
Lease Liabilities	-	180.63	-	180.63
Other Financial Liabilities	-	1,821.88	-	1,821.88

(₹ in Crore)

Particulars	As at 31.03.2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	374.15	3,228.64	-	3,602.79
Loans	-	10.60	-	10.60
Other Financial Assets	-	320.08	-	320.08
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	-	-	-
Interest Free SGST Loan from Government	-	13.32	-	13.32
Lease Liabilities	-	184.83	-	184.83
Other Financial Liabilities	-	1,696.37	-	1,696.37

During the year ended 31.03.2024 and 31.03.2023, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2024 and 31.03.2023:

Notes Forming Part of Consolidated Financial Statements

NOTE 48 - DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments – Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments - Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments – Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Interest Free SGST Loan from Government-Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

NOTE 49 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit and Risk Management Committee. The activities of this department include management of

Notes Forming Part of Consolidated Financial Statements

NOTE 49 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

Market Risk and Sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and liabilities held as at 31.03.2024 and 31.03.2023.

The sensitivity analysis excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non- financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities expose it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rates.

Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its floating interest rate on foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to foreign currency denominated floating interest rate as on 31.03.2024 and 31.03.2023. Following is the interest rate sensitivity for unhedged exposure of Indian Rupee denominated floating interest rate borrowing:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Impact on profit before tax due to increase in 50 basis points	(0.27)	(2.45)
Impact on profit before tax due to decrease in 50 basis points	0.27	2.45

Foreign Currency Risk and Sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore, exposed to foreign exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non- designated foreign currency derivative.

The following tables demonstrate the sensitivity in the USD, EURO, GBP and AED to the Indian Rupee with all other variable held constant.

For the Year ended 31.03.2024

Particulars	Effect on Profit Before Tax (₹ in crore)		
	USD	GBP	EURO
Change in Currency Exchange Rate			
+5%	(0.40)	0.49	(0.36)
-5%	0.40	(0.49)	0.36

Notes Forming Part of Consolidated Financial Statements

NOTE 49 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

For the Year ended 31.03.2023

Particulars	Effect on Profit Before Tax (₹in crore)		
	USD	GBP	AED
Change in Currency Exchange Rate			
+5%	(0.99)	0.48	(0.01)
-5%	0.99	(0.48)	0.01

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit Risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances, security deposits, bank guarantee, letter of credits and security cheques from its customers which mitigate the credit risk to an extent.

The ageing of trade receivables are as below:

(₹ in Crore)

Particulars	Neither Due nor Impaired	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024							
Undisputed							
-Considered good	942.40	294.18	6.93	2.47	1.66	38.89	1,286.53
-Which have significant increase in credit risk	-	-	-	-	-	38.59	38.59
Disputed							
-Considered good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	1.04	1.95	0.37	0.04	1.32	4.72
Gross Total	**942.40**	**295.22**	**8.88**	**2.84**	**1.70**	**78.80**	**1,329.84**
Allowance for doubtful trade receivables which have significant increase in credit risk							43.31
Net Total							**1,286.53**

Notes Forming Part of Consolidated Financial Statements

NOTE 49 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(₹ in Crore)

Particulars	Neither Due nor Impaired	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023							
Undisputed							
-Considered good	868.35	295.40	2.57	1.47	1.17	42.61	1,211.57
-Which have significant increase in credit risk	-	-	-	-	-	41.42	41.42
Disputed							
-Considered good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	0.42	0.06	0.21	0.62	1.15	2.46
Gross Total	**868.35**	**295.82**	**2.63**	**1.68**	**1.79**	**85.18**	**1,255.45**
Allowance for doubtful trade receivables which have significant increase in credit risk							43.88
Net Total							**1,211.57**

Movement in Allowance for Doubtful Trade Receivables are given below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**43.88**	**40.47**
Add: Effect of exchange rate on consolidation of foreign subsidiaries	0.57	3.23
Add: Provision made /(Reversal) during the year (Refer note 35)	(0.24)	0.18
Less: Utilized during the year	0.90	-
Closing Balance	**43.31**	**43.88**

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹9,618.79 crore as at 31.03.2024 and ₹10,522.18 crore as at 31.03.2023, which are the carrying amounts of cash and cash equivalents (excluding cash on hand), other bank balances, investments, trade receivables, loans and other financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

Notes Forming Part of Consolidated Financial Statements

NOTE 49 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

As at 31.03.2024

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	762.09	-	726.76	1,488.85
Lease Liabilities	44.35	79.49	193.02	316.86
Trade Payables	1,214.23	-	-	1,214.23
Derivative Financial Instruments	4.34	-	-	4.34
Other Financial Liabilities	1,679.16	142.72	-	1,821.88
Total	**3,704.17**	**222.21**	**919.78**	**4,846.16**

As at 31.03.2023

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	1,959.78	567.96	26.76	2,554.50
Lease Liabilities	51.68	78.12	188.02	317.82
Trade Payables	1,196.00	-	-	1,196.00
Derivative Financial Instruments	14.79	-	-	14.79
Other Financial Liabilities	1,523.96	172.41	-	1,696.37
Total	**4,746.21**	**818.49**	**214.78**	**5,779.48**

NOTE 50 - DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instrument outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2024	As at 31.03.2023
Forward Contracts	Imports	USD	7.75	15.77
		JPY	1.10	-
		EURO	2.78	1.06
		GBP	0.03	-
		AED	1.97	3.06
Cross Currency & Interest Rate Swaps	ECB	SGD	-	5.89
Interest Rate Swaps	ECB	USD	2.78	8.56
Cross Currency Swaps	ECB	USD	2.78	13.06

Cash Flow Hedges

The objective of cross currency & interest rate swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and foreign currency forward contracts based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument
ii. The effect of credit risk
iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps and foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 23 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

Notes Forming Part of Consolidated Financial Statements

NOTE 50 - DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above swaps are as under:

(₹ in Crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swaps	30.19	-	133.42	5.04
Forward Contracts	1.95	4.34	5.67	9.75

The movement of Effective Portion of Cash Flow Hedges are shown below:

(₹ in Crore)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Opening Balance	**(4.95)**	**(14.91)**
Gain/(loss) recognized on cash flow hedges	(128.58)	40.25
Income tax relating to gain/(loss) recognized on cash flow hedges	44.75	(14.19)
Reclassified to Profit or Loss #	117.52	(40.42)
Income tax relating to Reclassified to Profit or Loss	(41.08)	14.10
Amount transferred to initial cost of non-financial asset	15.64	15.50
Income tax relating to amount transferred to initial cost of non-financial asset	(5.46)	(5.28)
Closing Balance	**(2.16)**	**(4.95)**

Includes ₹102.69 crore (for the year ended 31.03.2023: ₹(91.71) crore) to Foreign Exchange Rate Differences and ₹14.83 crore (for the year ended 31.03.2023: ₹51.29 crore) to Finance Cost.

NOTE 51 - COLLATERALS

Inventory, Trade Receivables, Other Current Assets, some of the Fixed Deposits, Property, Plant and Equipment are hypothecated / mortgaged / pledged as collateral/security against the borrowings. (Refer Note 23 and 26). Additionally, some of the Investments were pledged against working capital facilities as at 31.03.2023.

NOTE 52 - EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars	UOM	For the year ended 31.03.2024	For the year ended 31.03.2023
Profit or Loss attributable to the Owners of the Company	₹ in crore	2,395.70	1,270.70
Equity Share Capital	₹ in crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	3,60,80,748	3,60,80,748
Earnings Per Share – Basic and Diluted	₹	663.98	352.18

B. Cash EPS: (Profit for the year attributable to the Owners of the Company + Depreciation and Amortisation Expense [Net of ₹2.23 crore (₹2.26 crore for year ended 31.03.2023) of Non-Controlling Interest] +Deferred Tax excluding MAT credit related to earlier years)/ Weighted average number of equity shares outstanding.

Notes Forming Part of Consolidated Financial Statements

NOTE 53 - EVENT OCCURRING AFTER THE BALANCE SHEET DATE

(a) Dividend approved /proposed to be distributed

(₹ in Crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Dividend Approved /Proposed for Equity Shareholders (Note 53.1)	198.44	198.44
Total	**198.44**	**198.44**

Note 53.1: Final Dividend of ₹55 per share proposed by the Board of Directors for FY 2023-24 (As at 31.03.2023: Interim Dividend of ₹55 per share approved by the Board of Directors for FY 2022-23).

(b) The Board of Directors of Shree Cement East Pvt. Ltd. (SCEPL) and Shree Cement North Pvt. Ltd. (SCNPL), wholly owned subsidiaries of the Company in their respective meeting(s) held on 14th May, 2024 considered and approved a Scheme of Amalgamation of Shree Cement North Pvt. Ltd. into & with Shree Cement East Pvt. Ltd. The scheme shall be subject to necessary statutory and regulatory approvals under applicable laws including sanction by the jurisdictional bench of Hon'ble National Company Law Tribunal.

Notes Forming Part of Consolidated Financial Statements

NOTE 54 - Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures (Form AOC-1- Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part –A Subsidiaries

(₹ in Crore)

Sr. No	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Tax	Provision for Tax	Profit / (Loss) after tax	Proposed Dividend	% of share holding
1	Shree Global FZE	AED	3,115.03	86.03	3,201.91	0.85	3,140.20	-	52.79	-	52.79	-	100%
2	Shree Enterprises Management Ltd.	AED	21.68	(0.86)	21.87	1.05	21.68	-	(0.27)	-	(0.27)	-	100%
3	Shree International Holding Ltd	AED	41.69	2,499.65	2,541.49	0.15	2,540.92	-	(1.79)	-	(1.79)	-	100%
4	Union Cement Company PJSC	AED	1,519.77	617.66	2,418.68	281.25	36.32	1,291.16	72.18	-	72.18	-	98.35%
5	U C N CO LTD L.L.C.	AED	5.68	9.39	30.92	15.85	-	115.30	15.81	-	15.81	-	98.35%
6	Raipur Handling and Infrastructure Private Limited	INR	5.70	207.66	219.49	6.13	-	103.24	10.34	(8.53)	18.87	-	100%
7	Shree Cement East Bengal Foundation *	INR	0.03	-	-	-	-	-	-	-	-	-	-
8	Shree Cement North Private Limited	INR	163.90	(2.60)	255.74	94.44	0.54	-	0.38	0.10	0.28	-	100%
9	Shree Cement East Private Limited	INR	705.00	(141.84)	655.73	92.57	2.60	134.74	(171.01)	(29.75)	(141.26)	-	100%
10	Shree Cement South Private Limited	INR	42.91	(11.53)	31.43	0.05	0.57	1.20	(8.26)	0.16	(8.42)	-	100%

*The Company has made investment of ₹0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and hence, not consolidated in the Consolidated Financial Statements.

Note - For converting the figures given in foreign currency appearing in the accounts of the subsidiary company into equivalent INR, following exchange rates are used.

Currency	Balance Sheet (Closing rate)
Arab Emirates Dirham (AED)- Indian Rupee	22.7022

Part B of the Form AOC-I is not applicable as there are no associate companies/Joint Ventures of the Company as on 31.03.2024.

Notes Forming Part of Consolidated Financial Statements

NOTE 55 - Additional information, as required under Schedule III of the Companies Act, 2013 of Enterprises consolidated as Subsidiary / Associates / Joint Ventures

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹ in Crore	As % of Consolidated Profit or (Loss)	₹ in Crore	As % of Consolidated Other Comprehensive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
Parent								
Shree Cement Limited	98.27%	20,384.49	103.02%	2,468.44	(9.28)%	(3.69)	101.18%	2,464.75
Subsidiaries - Indian								
Raipur Handling and Infrastructure Private Limited	1.03%	213.36	0.79%	18.87	-	-	0.77%	18.87
Shree Cement North Private Limited	0.78%	161.30	0.01%	0.28	(2.19)%	(0.87)	(0.02)%	(0.59)
Shree Cement East Private Limited	2.71%	563.16	(5.90)%	(141.26)	(0.15)%	(0.06)	(5.80)%	(141.32)
Shree Cement South Private Limited	0.15%	31.38	(0.35)%	(8.42)	(0.05)%	(0.02)	(0.35)%	(8.44)
Subsidiaries - Foreign								
Shree Global FZE	15.43%	3,201.06	2.20%	52.79	-	-	2.17%	52.79
Shree Enterprises Management Ltd.	0.10%	20.82	(0.01)%	(0.27)	-	-	(0.01)%	(0.27)
Shree International Holding Ltd.	12.25%	2,541.34	(0.07)%	(1.79)	-	-	(0.07)%	(1.79)
Union Cement Company PJSC	10.30%	2,137.43	3.01%	72.18	6.89%	2.74	3.08%	74.92
U C N CO LTD L.L.C.	0.07%	15.07	0.66%	15.81	-	-	0.65%	15.81
Non- Controlling Interests in all Subsidiaries	0.20%	41.12	0.02%	0.46	1.51%	0.60	0.04%	1.06
Adjustment due to consolidation	(41.29)%	(8,566.49)	(3.38)%	(80.93)	103.27%	41.08	(1.64)%	(39.85)
TOTAL	**100.00%**	**20,744.04**	**100.00%**	**2,396.16**	**100.00%**	**39.78**	**100.00%**	**2,435.94**

Notes Forming Part of Consolidated Financial Statements

NOTE 56 - TRADE PAYABLE

A. The ageing of trade payables is as below:

(₹ in Crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024						
Undisputed						
-MSME	16.10	-	-	-	-	16.10
-Others	634.31	229.17	3.76	1.34	2.13	870.71
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	-	-	-	-
Total	**650.41**	**229.17**	**3.76**	**1.34**	**2.13**	**886.81**
Add: Provision for Expenses						327.42
Total Trade payables						**1,214.23**

(₹ in Crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023						
Undisputed						
-MSME	12.30	-	-	-	-	12.30
-Others	675.85	197.42	2.09	1.85	0.83	878.04
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	-	-	-	-
Total	**688.15**	**197.42**	**2.09**	**1.85**	**0.83**	**890.34**
Add: Provision for Expenses						305.66
Total Trade payables						**1,196.00**

B. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	16.10	12.30
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	16.10	12.30
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year.	-	-
(e)	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.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of Consolidated Financial Statements

NOTE 57 - TRANSACTIONS WITH STRUCK OFF COMPANIES

Following are the transactions and balances with the companies, names of which have been struck off by registrar of companies:

(₹ in Crore)

Name of struck off company	Nature of transaction	Balance outstanding		Relationship
		As at 31.03.2024	As at 31.03.2023	
Pyrotech Electronics Private Limited	Payable	0.02	0.02	None
P.S. Steels Tubes Pvt. Ltd.	Payable	-	-	None
AMB Civil Contractors Private Limited	Payable	0.04	0.04	None
BITS Mechanical Private Limited	Payable	-	-	None

NOTE 58 - The Income Tax Department ("the Department") had conducted Survey u/s 133A of the Income Tax Act at the Company's premises in the month of June'23. The Company has co-operated fully with the Department in the survey proceedings and have provided requisite clarifications and details. Subsequently, the Company has also received notices from the department proposing reopening of assessments.

Having considered the records, facts and legal advice, the Company has not identified need for any adjustments to the current or prior period financial statements.

NOTE 59 - Previous year figures have been regrouped and rearranged wherever necessary.

NOTE 60 - Figures less than ₹50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 60

As per our report of even date

For B R Maheswari & Co LLP
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075

Date: 14th May, 2024
Place: Gurugram

For and on behalf of the Board

H. M. Bangur
Chairman
DIN: 00244329

Prashant Bangur
Vice Chairman
DIN: 00403621

Neeraj Akhoury
Managing Director
DIN: 07419090

Shreekant Somany
Independent Director
DIN: 00021423

Uma Ghurka
Independent Director
DIN: 00351117

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311

Zubair Ahmed
Independent Director
DIN: 00182990

Subhash Jajoo
Chief Finance Officer

S.S. Khandelwal
Company Secretary

GRI Content Index

Statement of Use	**Shree Cement Limited has reported in accordance with the GRI Standards for the period 01 April 2023 to 31 March 2024**
GRI 1 Used	**GRI 1: Foundation 2021**

GRI Standard	Disclosure	Location (Page Number)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted)	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures	Disclosure 2-1 Organisational details	4-9	–	–	–	–
	Disclosure 2-2 Entities included in the organization's sustainability reporting	4	–	–	–	–
	Disclosure 2-3 Reporting period, frequency and contact point	4	–	–	–	–
	Disclosure 2-4 Restatements of information	4	–	–	–	–
	Disclosure 2-5 External assurance	4-5	–	–	–	–
	Disclosure 2-6 Activities, value chain and other business relationships	8-15	–	–	–	–
	Disclosure 2-7 Employees	68	–	–	–	–
	Disclosure 2-8 Workers who are not employees	68	–	–	–	–
	Disclosure 2-9 Governance structure and composition	110-111	–	–	–	–
	Disclosure 2-10 Nomination and selection of the highest governance body	109-111	–	–	–	–
	Disclosure 2-11 Chair of the highest governance body	111	–	–	–	–
	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	112	–	–	–	–
	Disclosure 2-13 Delegation of responsibility for managing impacts	112	–	–	–	–
	Disclosure 2-14 Role of the highest governance body in sustainability reporting	4	–	–	–	–
	Disclosure 2-15 Conflicts of interest	112-113	–	–	–	–
	Disclosure 2-16 Communication of critical concerns	109	–	–	–	–
	Disclosure 2-17 Collective knowledge of the highest governance body	111	–	–	–	–
	Disclosure 2-18 Evaluation of the performance of the highest governance body	111	–	–	–	–
	Disclosure 2-19 Remuneration policies	112	–	–	–	–
	Disclosure 2-20 Process to determine remuneration	112	–	–	–	–
	Disclosure 2-21 Annual total compensation ratio	112	–	–	–	–
	Disclosure 2-22 Statement on sustainable development strategy	16-25	–	–	–	–
	Disclosure 2-23 Policy commitments	112	–	–	–	–
	Disclosure 2-24 Embedding policy commitments	112	–	–	–	–
	Disclosure 2-25 Processes to remediate negative impacts	30-35, 113	–	–	–	–
	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	113	–	–	–	–
	Disclosure 2-27 Compliance with laws and regulations	78, 163	–	–	–	–
	Disclosure 2-28 Membership associations	114	–	–	–	–
	Disclosure 2-29 Approach to stakeholder engagement	28-31	–	–	–	–
	Disclosure 2-30 Collective bargaining agreements	73	–	–	–	–
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32	–	–	–	–
	3-2 List of material topics	33-37	–	–	–	–
Climate Change						
GRI 3: Material Topics 2021	3-3 Management of material topics	78-79	–	–	–	–
Waste Management and Circular Economy						
GRI 306: Waste 2016	Disclosure 306-1 Waste generation and significant waste-related impacts	85-86	–	–	–	–
	Disclosure 306-2 Management of significant waste-related impacts	85-86	–	–	–	–
	Disclosure 306-3 Waste generated	85-86	–	–	–	–
	Disclosure 306-4 Waste diverted from disposal	85-86	–	–	–	–
	Disclosure 306-5 Waste directed to disposal	85-86	–	–	–	–
Water						
GRI 303: Water and Effluents	Disclosure 303-1 Interactions with water as a shared resource	86-87	–	–	–	–
	Disclosure 303-2 Management of water discharge related impacts	86-87	–	–	–	–
	Disclosure 303-3 Water withdrawal	86-87	–	–	–	–
	Disclosure 303-4 Water discharge	86-87	–	–	–	–
	Disclosure 303-5 Water consumption	86-87	–	–	–	–
Energy and emissions management						
GRI 3: Material Topics 2021	3-3 Management of material topics	79	–	–	–	–
GRI 302: Energy	Disclosure 302-1 Energy consumption within the organization	79	–	–	–	–
	Disclosure 302-2 Energy consumption outside of the organization	79	–	–	–	–
	Disclosure 302-3 Energy intensity	80	–	–	–	–
	Disclosure 302-4 Reduction of energy consumption	81	–	–	–	–
	Disclosure 302-5 Reductions in energy requirements of products and services	81	–	–	–	–
GRI 305: Emissions	Disclosure 305-1 Direct (Scope 1) GHG emissions	83	–	–	–	–
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	83	–	–	–	–
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	83	–	–	–	–
	Disclosure 305-4 GHG emissions intensity	83	–	–	–	–
	Disclosure 305-5 Reduction of GHG emissions	79-83	–	–	–	–
	Disclosure 305-6 Emissions of ozone-depleting substances (ODS)	83	–	–	–	–
	Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	83	–	–	–	–

GRI Standard	Disclosure	Location (Page Number)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted)	Reason	Explanation	
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	88-89	–	–	–	–
GRI 304: Biodiversity	Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	88-89	–	–	–	–
	Disclosure 304-2 Significant impacts of activities, products and services on biodiversity	88-89	–	–	–	–
	Disclosure 304-3 Habitats protected or restored	88-89	–	–	–	–
	Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	88-89	–	–	–	–
Low Carbon Products						
GRI 3: Material Topics 2021	3-3 Management of material topics	83	–	–	–	–
Occupational Health and Safety						
GRI 403: Occupational Health and safety	Disclosure 403-1 Occupational health and safety management system	74-75	–	–	–	–
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	74-75	–	–	–	–
	Disclosure 403-3 Occupational health services	74-75	–	–	–	–
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	74-75	–	–	–	–
	Disclosure 403-5 Worker training on occupational health and safety	74-75	–	–	–	–
	Disclosure 403-6 Promotion of worker health	74-75	–	–	–	–
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	74-75	–	–	–	–
	Disclosure 403-8 Workers covered by an occupational health and safety management system	74-75	–	–	–	–
	Disclosure 403-9 Work-related injuries	74-75	–	–	–	–
	Disclosure 403-10 Work-related ill health	74-75	–	–	–	–
Employee Relation						
GRI 3: Material Topics 2021	3-3 Management of material topics	68	–	–	–	–
GRI 401: Employment 2016	Disclosure 401-1 New employee hires and employee turnover	69	–	–	–	–
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	71-72	–	–	–	–
	Disclosure 401-3 Parental leave	71	–	–	–	–
Training and Development						
GRI 3: Material Topics 2021	3-3 Management of material topics	70-71	–	–	–	–
GRI 404: Training and Development 2016	Disclosure 404-1 Average hours of training per year per employee	71	–	–	–	–

GRI Standard	Disclosure	Location (Page Number)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted)	Reason	Explanation	
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	71	–	–	–	–
	Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	73	–	–	–	–
Community Development						
GRI 3: Material Topics 2021	3-3 Management of material topics	99-100	–	–	–	–
GRI 413: Local communities 2016	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	99-100	–	–	–	–
	Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	99-100	–	–	–	–
Resettlement and Rehabilitation						
GRI 3: Material Topics 2021	3-3 Management of material topics	104	–	–	–	–
GRI 411: Rights of Indigenous People 2016	Disclosure 411-1 Incidents of violations involving rights of indigenous peoples	104	–	–	–	–
Human Rights and Non-Discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	73	–	–	–	–
GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	68, 111	–	–	–	–
	Disclosure 405-2 Ratio of basic salary and remuneration of women to men	72	–	–	–	–
GRI 406: Non-Discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	73	–	–	–	–
GRI 407: Freedom of Association and Collective Bargaining 2016	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	73	–	–	–	–
GR 408: Child Labour 2016	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	73	–	–	–	–
GRI 409: Forced or compulsory Labour 2016	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	73	–	–	–	–
Customer Satisfaction						
GRI 3: Material Topics 2021	3-3 Management of material topics	105	–	–	–	–
Regulatory Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	112-113	–	–	–	–
Business Performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	53	–	–	–	–
Cyber Security						
GRI 3: Material Topics 2021	3-3 Management of material topics	106, 115	–	–	–	–

GRI Standard	Disclosure	Location (Page Number)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted)	Reason	Explanation	
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	106	–	–	–	–
Supply chain, Raw material procurement & Procurement Practice						
GRI 3: Material Topics 2021	3-3 Management of material topics	84, 107	–	–	–	–
GRI 301: Materials	Disclosure 301-1 Materials used by weight or volume	84	–	–	–	–
	Disclosure 301-2 Recycled input materials used	84	–	–	–	–
	Disclosure 301-3 Reclaimed products and their packaging materials	84	–	–	–	–
GRI 204: Procurement Practices2016	Disclosure 204-1 Proportion of spending on local suppliers	107	–	–	–	–
GRI 308: Supplier Environmental Assessment 2016	Disclosure 308-1 New suppliers that were screened using environmental criteria	107	–	–	–	–
	Disclosure 308-2 Negative environmental impacts in the supply chain and actions	107	–	–	–	–
GRI 414: Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	107	–	–	–	–
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	107	–	–	–	–
Indirect Economic Impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	102-104	–	–	–	–
GRI 203: Indirect Economic Impacts 2016	Disclosure 203-1 Infrastructure investments and services supported	102-104	–	–	–	–
	Disclosure 203-2 Significant indirect economic impacts	102-104	–	–	–	–
Governance and Ethics						
GRI 3: Material Topics 2021	3-3 Management of material topics	109-110	–	–	–	–
GRI 205: Anti-corruption 2016	Disclosure 205-1 Operations assessed for risks related to corruption	112-113	–	–	–	–
	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	112-113	–	–	–	–
	Disclosure 205-3 Confirmed incidents of corruption and actions taken	112-113	–	–	–	–
GRI 206: Anti-competitive Behavior 2016	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	112-113	–	–	–	–
Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	43-44	–	–	–	–
Economic Performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	53	–	–	–	–
GRI 201: Economic Performance 2016	Disclosure 201-1 Direct Economic value generated and distributed	54-57	–	–	–	–
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	78	–	–	–	–
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	244-245	–	–	–	–
	Disclosure 201-4 Financial assistance received from government	309	–	–	–	–

Alignment with United Nations Global Compact Principles

Principle No.	UNGC Principle	Section in the Report	Page Number
Human Rights			
1	Business should support and respect the protection of internationally proclaimed human rights	Human Capital	73
2	Make sure that they are not complicit in human right abuses	Human Capital	73
Labour			
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Capital	73
4	Elimination of all forms of forced and compulsory labour	Human Capital	73
5	Effective abolition of child labour	Human Capital	73
6	Elimination of discrimination in respect of employment and occupation	Human Capital	73
Environment			
7	Business should support a precautionary approach to environmental challenge	Natural Capital	78
8	Undertake initiatives to promote greater environmental responsibility	Natural Capital	78
9	Encourage the development and diffusion of environmentally friendly technologies	Intellectual Capital	91
Anti-Corruption			
10	Business should work against corruption in all its forms including extortion and bribery	Corporate Governance	113

Contribution to Sustainable Development Goals (SDGs)

Sustainable Development Goal (SDG)	Section in the report	Page number
SDG 1 No Poverty	Social and Relationship Capital	98
SDG 2 Zero Hunger	Social and Relationship Capital	98
SDG 3 Good health and wellbeing	Human Capital, Social and Relationship Capital	66, 98
SDG 4 Quality Education	Human Capital, Social and Relationship Capital	66, 98
SDG 5 Gender equality	Human Capital, Social and Relationship Capital	66, 98
SDG 6 Clean Water and Sanitation	Social and Relationship Capital, Natural Capital	98, 76
SDG 7 Affordable and Clean Energy	Natural Capital	76
SDG 8 Decent work and Economic Growth	Social and Relationship Capital, Financial Capital, Manufactured Capital, Human Capital	98, 52, 58, 66
SDG 9 Industry Innovation and Infrastructure	Intellectual capital, Manufactured Capital	90, 58
SDG 10 Reduced inequality	Human Capital, Social and Relationship Capital	66, 98
SDG 11 Sustainable Cities and Communities	Natural Capital	76
SDG 12 Responsible Consumption and Production	Natural Capital, Intellectual capital, Manufactured Capital	76, 90, 58
SDG 13 Climate Action	Natural Capital	76

Alignment with GCCA Sustainability Charter

Category	Principles	Page number
Health and Safety	Apply the good safety guidelines	74-75
	Promote the sharing of good health practices	74-75
Climate Change and Energy	Develop a climate change mitigation strategy, and publish targets and processes	78-79
Social Responsibility	Publish a code of conduct incorporating the principles of internationally proclaimed human rights	78-79
	Apply the Social Impact Assessment guidelines	112-113
	Establish a systematic dialogue process with stakeholders	104
Environment and Nature	Apply the Environment and Nature guidelines	76-89
	Set emission targets and report publicly on progress	79-83
Circular Economy	Promote the principles of circular economy across the value chain	84
	Apply the guidelines developed for fuel and raw material use in cement production	82-84

IFC Performance Indicators

Category	Unit	Value / Reference to Section
Occupational Health & Safety		
Accident rate - Direct Employee	LTI per million hrs.	0.14
Accident rate - Indirect Employee	LTI per million hrs.	0.10
Fatality Rate	Per million - man hours worked	0
Fatality Rate (indirect)	Per million hours worked	0.03
Occupational Health & Safety monitoring programme		Annual
Resource use and waste		
Hazardous waste – Liquid (Used Oil)	KL	161.1
Hazardous waste - Solid	Metric Tonnes	44.49
Air emissions levels for cement manufacturing		
Dust	gm/tonne clinker	20.02
NO_x - for cement facilities	gm/tonne clinker	613.44
SO_2 for cement facilities	gm/tonne clinker	2.79
CO_2 - from decarbonisation (raw material)	tCO_2e	1,24,70,295
CO_2 - from fuel (kiln)	tCO_2e	94,75,644
HCl	mg/Nm^3	4.93
Hydrogen Fluoride	mg/Nm^3	0.34
Total Organic Carbon	mg/Nm^3	3.92
Dioxins – Furans	ng/Nm^3, corrected to 10% O_2	0.014
Cadmium & Thallium	mg/Nm^3	0.006
Mercury (Hg)	mg/Nm^3	0.001
Effluent Level Cement Manufacturing		
pH	NA	Zero Effluent Discharge
Total Suspended Solids	NA	Zero Effluent Discharge
Temperature increase	NA	Zero Effluent Discharge
Resource Energy Consumption		
Materials-substitute raw materials used in clinker production (Fuel)	%	10.95
Substitute raw materials in cement production	Million tonnes	11.39
Fuel energy - cement	GJ/tonne of cement	2.43
Electrical energy - cement	GJ/tonne of cement	0.25

Sustainability Performance Indicators

Parameters	Key Performance Indicator	Unit	Data	Coverage (% of clinker production)
Climate Protection	Total CO_2 emissions – gross	Million tCO_2e	21.95	100
	Total CO_2 emissions – net	Million tCO_2e	19.12	100
	Specific Net Scope 1 emissions	Kg/tonne cementitious material	542	
	Specific Gross Scope 1 emissions	Kg/tonne cementitious material	544	
	Independent third-party assurance of CO_2 data (frequency)		Annual	100
Emissions Reductions	Specific NO_x emissions*	gm/tonne clinker	20.02	
	Specific SO_2 emissions*	gm/tonne clinker	613.44	
	Specific PM emissions*	gm/tonne clinker	2.79	
	Ozone Depleting Substance (ODS)	Metric tonne of CFC-11	0.08	
	POP	ng/Nm^3	0.014	
	VOC	mg/Nm^3	0.0004	
	Clinker produced with monitoring of major and minor emissions	%	100	
	Clinker produced with continuous monitoring of major emissions	%	100	
	Independent third-party assurance of emissions data (frequency from 2011)	%	Annual	
Fuels and raw material	Specific heat consumption of clinker production	KCal / Kg of clinker	735	
	Alternative Fuel Rate (Including Biomass)	%	10.95	
	Biomass Fuel Rate	%	3.86	
	Alternative Raw Materials Rate	%	24.41	
	Clinker/Cement Ratio	%	64.66	
	Sites with quarry rehabilitation plans in place	%	100	
	Sites with community engagement plans in place	%	100	
Biodiversity KPI no.1	Number of quarries within, containing or adjacent to areas designated for their high biodiversity value, as defined by GRI 304	Number	0	
Biodiversity KPI no.2	Quarries with high biodiversity value where biodiversity management plans are actively implemented	%	NA	
Water	Total water discharge by source	Million m^3	0	
	Total water discharge by quality and destination	Million m^3	0	
	Destination: Surface water	Million m^3	0	
	Destination: Groundwater	Million m^3	0	
	Destination: Water discharge for offsite treatment	Million m^3	0	
	Destination: Water discharge to others	Million m^3	0	
	Total water consumption (for cement)	Million m^3	2.48	
	Percentage of sites with a water recycling system	%	100	
	Specific fresh water consumption	m^3/MT of cement produced	65.1	
	Water reused	Million m^3	0.2	

* Kiln stack emission

Sustainability Performance Indicators (Contd.)

Parameters	Key Performance Indicator	Unit	Data	Coverage (% of clinker production)
Employee Health and Safety	No. of fatalities (directly employed)	Number	-	
	No. of fatalities per 10,000 directly employed	Number	-	
	No. of fatalities (indirectly employed)	Number	1	
	No. of fatalities (3rd party)	Number	1	
	No. of Lost time injuries (directly employed)	Number	2	
	Lost time injury per 1m man-hours (directly employed)	Number	0.14	
	No. of Lost time injuries (indirectly employed contractors and subcontractors)	Number	4	
	Lost time injury per 1m man-hours (indirectly employed)	Number	0.10	
	Total no. of lost time injuries	Number	6	
	Independent third-party assurance of safety data (frequency)	Number	Annual	

SASB Performance Indicators

Topics	Metric	Page Number/Value
Greenhouse Gas Emissions	Gross global scope 1 emissions, percentage covered under emissionslimiting regulations	83
Air Quality	Air emissions of the following pollutants: (1) NO_x (excluding N_2O), (2) SO_x, (3) Particulate Matter (PM10), (4) Dioxins/Furans, (5) Volatile Organic Compounds (VOCs), (6) Polycyclic Aromatic Hydrocarbons (PAHs) and (7) Heavy Metals	83
Energy Management	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage alternative and (4) Percentage renewable	79
Water Management	(1) Total water withdrawn, (2) Total water consumed; percentage of each in regions with high or extremely high baseline water stress	86
Waste Management	Amount of waste generated, percentage hazardous and percentage recycled	85
Biodiversity Impacts	Description of environmental management policies and practices for active sites	88-89
Workforce Health & Safety	1) Total recordable incident rate (trir) and (2) near miss frequency rate (nmfr) for (a) full-time employees and (b) contract employees	TRIR = 0.03 (full time employees) TRIR = 0.02 (contract employees)

SGS

SGS India Private Limited
4B, Adi Shankaracharya Marg, Vikhroli (West),
Mumbai – 400083

INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Shree Cement Limited on its Integrated Report for the FY 2023-24

The Management
Shree Cement Limited
Gurugram, Haryana - 122008

Nature of the Assurance/Verification

Shree Cement Limited (the 'Company') has prepared an Integrated Annual Report (the report) FY2023-24 based on the principles of the Integrated Reporting (<IR>) framework developed by the International Integrated Reporting Council (IIRC) and Global Reporting Initiative (GRI) Standards 2021. SGS India Pvt Ltd (hereinafter referred to as SGS India) was commissioned by Shree Cement Limited to conduct an independent assurance of its sustainability disclosures in the report in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) (Assurance Engagements other than Audits or Reviews of Historical Financial Information) for the period of 1st April 2023 to 31st March 2024. This assurance engagement was conducted at a "Limited Level".

Responsibilities

The information in the Integrated Report and its presentation are the responsibility of the directors or governing body and the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, graphs, and statements within the defined scope of assurance, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific purpose, and it is not intended for use in interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the assurance scope.

Assurance Standard

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI's Principles for Defining Report Content and Report Quality. Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of the GRI Indicators (KPIs) within the Integrated Report for the period spanning April 1st, 2023, to March 31st, 2024. The reporting scope and boundaries include Shree Cement's operational sites across India. The assurance included on-site verification of data and control systems at the following locations:

- Shree Cement Limited, Beawar Plant
- Shree Cement Limited, Jobner Plant
- Shree Cement Limited, Bihar Plant
- Shree Cement Limited, Patas Plant
- Shree Cement Limited, Raipur Plant
- Shree Cement Limited, Corporate Office, Gurugram

Assurance Methodology

The assurance comprised a combination of desk research, interaction with the key personnel engaged in the process of developing the Integrated Report and onsite visits for verification of data. Specifically, SGS India undertook the following activities:

- Conducted interviews with key personnels overseeing sustainability aspects within the company and assessed supporting evidence presented in the report.
- Evaluated the data management system employed for collecting and collating sustainability related information at the site level, as well as the consolidation of data at the Head Office level.
- Verified the consistency of data and information presented within the report and cross-referenced it with the source materials.
- Review internal control mechanism to ensure the reliability and accuracy of sustainability data
- Verification of sustainability performance data, on sample basis, including conversion factors and emissions factors and calculation, based on our professional judgement

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope
- Verification of any data and information other than those presented in "Findings and Conclusion"
- Verification of data and information outside the defined reporting period (April 1, 2023, to March 31, 2024)
- Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification;

quality, environmental, social, and ethical auditing, and training; environmental, social and sustainability report assurance. SGS affirm our independence from Shree Cement Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which provides a comprehensive framework that guide assurance practitioners in maintaining professional integrity, objectivity, and ethical conduct. The assurance team have the required competencies and experience to conduct this engagement.

Findings and Conclusions

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that the specified performance information included in the scope of assurance is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria of GRI Standards. Shree Cements has disclosed the GRI indicators (Listed in Appendix 1) following the Reporting Principles (Section 4 of GRI 1: Foundation 2021) and the guidance defined in GRI 2: General Disclosures 2021, GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard.

- **Quality and Reliability of Specified Performance Information**

SGS India reviewed the sustainability data included in the report. Shree Cement has developed a good data management system to collect, analyse and collate ESG data. Based on the evaluation of this system, SGS found that data was accurate, and any minor corrections made as necessary.

For and on behalf of SGS India Private Limited

Ashwini K. Mavinkurve,
Head – ESG & Sustainability Services,Pune, India
03/07/2024

Appendix 1

Sr No.	GRI Indicators	GRI Topic
1	Disclosure 2-1, 2-2, 2-3.	Organizational details, Entities included in the organization's sustainability reporting, Reporting period, frequency, and contact point
2	Disclosure 2-6, 2-7, 2-8	Activities, value chain and other business relationships, Employees, Workers who are not employees
3	Disclosure 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15	Governance structure and composition, Nomination and selection of the highest governance body, Chair of the highest governance body, Role of the highest governance body in overseeing the management of impacts, Delegation of responsibility for managing impacts, Role of the highest governance body in sustainability reporting, Conflicts of interest
4	Disclosure 2-29, 2-30	Approach to stakeholder engagement, Collective bargaining agreements
5	Disclosure 3-1, 3-2, 3-3	Process to determine material topics, List of material topics, Management of material topics.
6	GRI 201-1, 201-4	Direct economic value generated and distributed; Financial assistance received from the government
7	GRI 204-1	Proportion of spending on local suppliers
8	GRI 205-2, 205-3	Communication and training on anti-corruption policies and procedures, Confirmed incidents of corruption and actions taken
9	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
10	GRI 301-1, 301-2	Materials used by weight or volume; Recycled input materials used
11	GRI 302-1, 302-3, 302-4	Energy consumption within the organization; Energy intensity; Reduction of energy consumption
12	GRI 303-3, 303-4, 303-5	Water Withdrawal, Water Consumption, Water discharge
13	GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-7	Direct greenhouse gas (GHG) emissions (Scope 1); Energy indirect greenhouse gas (GHG) emissions (Scope 2); Other indirect greenhouse gas (GHG) emissions (Scope 3); GHG emissions intensity; Reduction of GHG emissions, Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
14	GRI 306-2, 306-3, 306-4, 306-5	Management of significant waste-related impacts; Waste generated, Waste diverted from disposal, Waste directed to disposal
15	GRI 308-1	New suppliers that were screened using environmental criteria
16	GRI 401-1, 401-2, 401-3	Total number and rates of new employee hires and employee turnover by age group, gender, and region; Benefits provided to full-time employees; Parental Leaves
17	GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-8, 403-9, 403-10	Occupational health and safety (OH&S) management system; Hazard identification, risk assessment, and incident investigation; Occupational health services; Worker participation, consultation, and communication on OH&S; Worker training on OH&S; Workers covered by an OH&S management system; Work-related injuries; Work-related ill health
18	GRI 404-1, 404-2, 404-3	Average hours of training per year per employee by gender, and by employee category; Programs for upgrading employee skills and transition assistance programs; Percentage of employees receiving regular performance and career development reviews
19	GRI 405-2	Ratio of basic salary and remuneration of women to men
20	GRI 414-1	New suppliers that were screened using social criteria
21	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data

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INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Shree Cement Limited on its BRSR for the FY 2023-24

The Management
Shree Cement Limited
Gurugram, Haryana - 122008

Nature of the Assurance/Verification

SGS India Private Limited (hereinafter referred to as SGS India) was commissioned by Shree Cement Limited (the 'Company') to conduct an independent assurance of its Business Responsibility and Sustainability Report (BRSR) Core Indicators disclosed in Shree Cement's BRSR pertaining to the reporting period of April 1, 2023, to March 31, 2024. The Report has been prepared following the National Guidelines for Responsible Business Conduct of the BRSR Framework, covering the performance of the Company across Environmental, Social and Governance (ESG) indicators. This assurance engagement was conducted at a "Reasonable Level".

Responsibilities

The information in the BRSR and its presentation are the responsibility of the directors or governing body and the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, graphs, and statements within the defined scope of assurance, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific purpose, and it is not intended for use in interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the assurance scope.

Assurance Standard

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) (Assurance Engagements other than Audits or Reviews of Historical Financial Information). Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the BRSR is fairly stated and is free from material misstatements.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of the BRSR Core Indicators (KPIs) within the BRSR for the period spanning April 1, 2023, to March 31, 2024. The reporting scope and boundaries include Shree Cement's operational sites across India. The assurance included on-site verification of data and control systems at the following locations:

- Shree Cement Limited, Beawar Plant
- Shree Cement Limited, Jobner Plant
- Shree Cement Limited, Bihar Plant
- Shree Cement Limited, Patas Plant
- Shree Cement Limited, Raipur Plant
- Shree Cement Limited, Corporate Office, Gurugram

Assurance Methodology

The assurance comprised a combination of desk research, interaction with the key personnel engaged in the process of developing the BRSR and onsite visits for verification of data. Specifically, SGS India undertook the following activities:

- Conducted interviews with key personnels overseeing sustainability aspects within the company and assessed supporting evidence presented in the report.
- Evaluated the data management system employed for collecting and collating sustainability related information at the site level, as well as the consolidation of data at the Head Office level.
- Verified the consistency of data and information presented within the report and cross-referenced it with the source materials.
- Review internal control mechanism to ensure the reliability and accuracy of sustainability data
- Verification of sustainability performance data, on sample basis, including conversion factors and emissions factors and calculation, based on our professional judgement

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope
- Verification of any data and information other than those presented in "Findings and Conclusion"
- Verification of data and information outside the defined reporting period (April 1, 2023, to March 31, 2024)
- Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

Findings and Conclusions

Based on the methodology described and the verification work performed, we are satisfied that the information presented by the Company in it's the BRSR, on the BRSR Core Indicators is accurate, reliable, has been fairly stated and prepared, in line with the BRSR requirements. The list of BRSR Core Indicators that were verified within this assurance engagement is given in Appendix 1.

Shree Cement has a well-developed ESG management system and internal audit mechanism for recording and reviewing its ESG performance across its operational sites. This includes processes for collection and consolidation of ESG related performance indicators as well as operating procedures which define calculations, methodologies, and assumptions. Recommendations to further improve ESG reporting process are provided in the Internal Management Report.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing, and training; environmental, social and sustainability report assurance. SGS affirm our independence from Shree Cement Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which provides a comprehensive framework that guide assurance practitioners in maintaining professional integrity, objectivity, and ethical conduct. The assurance team have the required competencies and experience to conduct this engagement.

For and on behalf of SGS India Private Limited

Ashwini K. Mavinkurve,
Head – ESG & Sustainability Services,Pune, India
03/07/2024

Appendix 1:

BRSR Principle	Attributes	Indicators
Principle 6, Q7 of Essential Indicators	GHG emissions	Total Scope 1 emissions
		Total Scope 2 emissions
		GHG emissions intensity (Scope 1 and Scope 2)
Principle 6, Q3 of Essential Indicators	Water footprint	Total water consumption
		Water consumption intensity
Principle 6 Q4 of Essential Indicators		Water Discharge by destination and levels of Treatment
Principle 6 Q1 of Essential Indicators	Energy	Total energy consumption
		% of energy consumed from renewable sources
		Energy intensity
Principle 6 Q9 of Essential Indicators	Waste management	A) Plastic waste B) E-waste C) Bio-medical waste D) Construction and demolition waste E) Battery waste F) Radioactive waste G) Other hazardous waste H) Other non-hazardous waste I) Total waste generated
		Waste intensity
		Waste recovered through recycling, re-using or other recovery operations
		Total waste disposed by nature of disposal method
Principle 3, Q1(c) of Essential Indicators	Employee wellbeing and safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company
Principle 3, Q11 of Essential Indicators		Details of safety related incidents for employees and workers (including contract-workforce e.g., workers in the company's construction sites) This includes: A) Number of permanent disabilities B) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) C) No. of fatalities
Principle 5, Q3(b) of Essential Indicators	Gender diversity	Gross wages paid to females as % of wages paid
Principle 5, Q7 of Essential Indicators		Complaints on POSH. This includes. A) Total Complaints on Sexual Harassment (POSH) reported B) Complaints on POSH as a % of female employees / workers C) Complaints on POSH upheld
Principle 8, Q4 of Essential Indicators	Inclusive development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India (in % terms – As % of total purchases by value)
Principle 8, Q5 of Essential Indicators		Job creation in smaller towns (Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost)
Principle 9, Q7 of Essential Indicators	Fairness in Engaging with Customers and Suppliers	Loss / breach of data of customers as a percentage of total data breaches or cyber security events
Principle 1, Q8 of Essential Indicators		Number of days of accounts payable
Principle 1, Q9 of Essential Indicators	Open-ness of business	A) Purchases from trading houses as % of total purchases B) Number of trading houses where purchases are made from C) Purchases from top 10 trading houses as % of total purchases from trading houses D) Sales to dealers / distributors as % of total sales E) Number of dealers / distributors to whom sales are made F) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors G) Share of RPTs (as respective %age) in - • Purchases • Sales • Loans & advances • Investments

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Abbreviations

Acronym	Expansion
AAC	Autoclaved Aerated Concrete
AFR	Alternative Fuels and Raw Materials
AI	Artificial Intelligence
ASR	Alkali Sulphur ratio
BCM	Business Continuity Management
BEE	Bureau of Energy Efficiency
BIS	Bureau of Indian Standards
BRSR	Business Responsibility and Sustainability Report
CARE	Credit Analysis and Research Limited
CBA	Cross Belt Analyser
CC	Composite Cement
CCUS	Carbon Capture, Usage And Storage
CCPS	Confederation of Constructions Products and Services
CDM	Clean Development Mechanism
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CER	Certified Emission Reductions
CII	Confederation of Indian Industry
CLMS	Contractor Labour Management System
CMA	Cement Manufacturing Association
CoC	Code of Conduct
CPCB	Central Pollution Control Board
CRISIL	Credit Rating Information Services of India Limited
CRM	Customer Relationship Management
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
DGMS	Directorate General Of Mines Safety
DJSI	Dow Jones Sustainability Index
DSIR	Department of Scientific and Industrial Research
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EIA	Environmental Impact Assessment
ECB	External Commercial Borrowing
EDLIS	Employees' Deposit Linked Insurance Scheme
EMS	Environmental Management System
EPFS	Employees' Provident Fund Scheme
EPR	Extended Product Responsibility
EPS	Employees' Pension Scheme
ERM	Enterprise Risk Management
ESG	Environmental, Social, Governance
FDG	Flue-Gas Desulfurisation
FICCI	Federation of Indian Chambers of Commerce and Industry
GCCA	Global Cement and Concrete Association
GHG	Green House Gases
GPS	Global Positioning System
GPTW	Great Place to Work
GRI	Global Reporting Initiative
HC	Hydrophobic Cement
HIRA	Hazard Identification and Risk Assessment
ICC	Internal Complaints Committee
IEX	Indian Energy Exchange
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IIT	Indian Institute of Technology
IRR	Internal Rate of Return
IR Framework	Integrated Reporting Framework
ISAE	International Standard on Assurance Engagements
IT	Information Technology
IUCN	International Union for Conservation of Nature
KMP	Key Managerial Personnel
KPI	Key Performance Indicator
LC3	Limestone Calcined Clay Cement
LTIFR	Lost Time Injury Frequency Rate
MSDS	Material Safety Data Sheet
MSME	Micro, Small and Medium Enterprises
MSW	Municipal Solid Waste
MTPA	Million Tons Per Annum
NABL	National Accreditation Board for Testing and Calibration Laboratories
NCCBM	National Council for Cement and Building Materials
NCD	Non-Convertible Debentures
NRC	Nomination cum Remuneration Committee
O&M	Operations and Maintenance
ODS	Ozone Depleting Substance
OHS	Occupational Health and Safety
OPC	Ordinary Portland Cement
PAT	Perform, Achieve & Trade
PLF	Plant Load Factor
POSH	Prevention of Sexual Harassment
PPC	Portland Pozzolana Cement
PSA	Particle Size Analyser
PSC	Portland Slag Cement
PM	Particulate Matter
POP	Persistent Organic Pollutant
QA	Quality Analysis
QC	Quality Check
R&D	Research and Development
RDF	Refuse Derived Fuel
RHPC	Rapid Hardening Portland Cement
RoE	Return on Equity
RoCE	Return on average Capital Employed
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Target Initiative
SCEPL	Shree Cement East Private Limited
SCL	Shree Cement Limited
SEBI	Securities and Exchanges Board of India
SHGs	Self-Help Groups
SIA	Social Impact Assessment
SMART	Specific, Measurable, Achievable, Relevant and Timebound
SOP	Standard Operating Procedure
TSR	Thermal Substitution Rate
TRIFR	Total Recordable Injury Frequency Rate
TJ	Terajoule
UAE	United Arab Emirates
UNFCC	United Nations Framework Convention on Climate
UNGC	United Nations Global Compact
UNSDG	United Nations Sustainable Development Goals
VAPT	Vulnerability Assessment and Penetration Testing
VCS	Verified Carbon Standard
VOC	Volatile Organic Compound
WBCSD	World Business Council for Sustainable Development
WCP	Wildlife Conservation Plan
WEF	World Economic Forum
WHR	Waste Heat Recovery
WMC	Wellness Management Centers
XRD	X-Ray Diffraction

Ratio Analysis

Financial Performance Ratios

	2019-20	2020-21	2021-22	2022-23	2023-24
Raw Material Cost / Net Turnover (%)	8.73	8.85	9.07	9.73	9.50
Power & Fuel Cost / Net Turnover (%)	19.72	16.44	22.10	32.93	28.88
Freight / Net Turnover (%)	21.89	23.97	22.66	22.17	20.59
Manpower & Admin Cost / Net Turnover (%)	8.66	8.79	7.90	7.24	6.68
Finance Cost / Net Turnover (%)	2.41	1.95	1.52	1.60	1.35
Depreciation / Net Turnover (%)	14.28	9.00	7.25	9.18	8.24
Tax / Profit Before Tax (%)	19.90	23.59	18.91	14.79	18.95
Net Profit Margin (%)	13.19	18.25	16.61	7.89	12.60
Cash Profit / Net Turnover (%)	26.33	26.93	24.67	17.88	21.19
ROCE [PBIT (With other Income) / Avg. Capital Employed] (%)	15.78	19.56	17.17	9.11	15.51
Return on Net Worth (%)	12.14	15.16	13.76	7.26	12.11
Net Turnover / Average Capital Employed (%)	83.61	75.72	78.03	83.95	91.77
EBITDA (With Other Income) / Net Turnover (%)	33.15	34.83	29.25	20.04	25.14
EBITDA (Without Other Income) / Net Turnover (%)	30.87	31.41	25.50	17.47	22.28
Earnings Per Share (₹)	445.08	640.77	658.69	368.10	684.14
Cash Earning Per Share (₹)	888.58	945.68	978.14	834.55	1,153.33

Balance Sheet Ratios

	2019-20	2020-21	2021-22	2022-23	2023-24
Debt Equity Ratio (Times)	0.19	0.11	0.10	0.09	0.05
Debtors Turnover (Times)	19.36	24.66	33.58	28.45	26.79
Inventory Turnover (Times)	7.89	8.72	7.86	7.35	7.03
Current Ratio (Times)	1.79	1.69	1.69	1.23	1.87
Quick Ratio (Times)	1.42	1.34	1.21	0.87	1.34
Interest Coverage Ratio (Times)	13.77	17.86	19.22	12.55	18.63
Book Value Per Share (₹)	3,585.41	4,226.65	4,786.73	5,068.75	5,649.69

Corporate Information

Board of Directors

Mr. H.M. Bangur
Chairman

Mr. Prashant Bangur
Vice Chairman

Mr. Neeraj Akhoury
Managing Director

Mr. Shreekant Somany
Independent Director

Ms. Uma Ghurka
Independent Director

Mr. Sanjiv Krishnaji Shelgikar
Independent Director

Mr. Zubair Ahmed
Independent Director

Mr. Sushil Kumar Roongta
Independent Director

Committees of the Board

(a) Audit Committee

Mr. Shreekant Somany
Chairman

Mr. Sanjiv Krishnaji Shelgikar
Member

Mr. Zubair Ahmed
Member

(b) Nomination Cum Remuneration Committee

Mr. Zubair Ahmed
Chairman

Mr. Shreekant Somany
Member

Mr. Sanjiv Krishnaji Shelgikar
Member

(c) Stakeholders' Relationship Committee

Mr. Sanjiv Krishnaji Shelgikar
Chairman

Ms. Uma Ghurka
Member

Mr. Neeraj Akhoury
Member

(d) CSR and Sustainability Committee

Mr. Sanjiv Krishnaji Shelgikar
Chairman

Mr. Prashant Bangur
Member

Mr. Neeraj Akhoury
Member

Ms. Uma Ghurka
Member

(e) Risk Management Committee

Mr. Sanjiv Krishnaji Shelgikar
Chairman

Mr. Prashant Bangur
Member

Mr. Neeraj Akhoury
Member

Key Executives

Mr. Sanjay Mehta
President (Procurement & Corporate Affairs)

Mr. Shailesh Ambastha
President (Sales)

Mr. K.C. Gandhi
President (Fuel Procurement)

Mr. Arvind Khicha
Jt. President (Taxation & Insurance)

Mr. Satish Chander
Chief Manufacturing officer

Mr. Anupam Agrawal
Head - Projects

Mr. MSR Kali Prasad
Chief Digital Officer

Mr. Sushrut Pant
Head Marketing

Mr. M.M. Rathi
Jt. President (Power Management)

Mr. Suresh Rathi
Chief Logistics Officer

Mr. Ramesh Joshi
Jt. President (Ready-Mix Concrete)

Mr. Vijay Patil
Head of Strategies

Mr. Vinod Kumar Chaturvedi
CHRO

Mr. K.K. Jain
Sr. Vice President (Finance)

Senior Advisor
Mr. Ashok Bhandari

Company Secretary
Mr. S.S. Khandelwal

Chief Finance Officer
Mr. Subhash Jajoo

Corporate Communication Head
Ms. Nandini Chatterjee

Bankers
Axis Bank Ltd.
HDFC Bank Ltd.
State Bank of India
ICICI Bank Ltd.
J P Morgan Chase Bank N.A.
MUFG Bank, Ltd.
Standard Chartered Bank
DBS Bank India Ltd.
Kotak Mahindra Bank Ltd
Sumitomo Mitsui Banking Corporation
HSBC Bank

Debenture Trustee
Axis Trustee Services Limited, Mumbai

Statutory Auditors
M/s. B R Maheswari & Co LLP, New Delhi

Secretarial Auditors
M/s. Pinchaa & Co., Jaipur

Cost Auditors
M/s. K.G. Goyal & Associates, Jaipur

Internal Auditors
M/s. Deloitte Touche Tohmatsu India LLP, Mumbai

Registered Office
Bangur Nagar, Beawar-305 901
Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117/19
Toll free no.: 1800 180 6003-04
website: www.shreecement.com
email: sclbwr@shreecement.com

Corporate Office – Kolkata
21, Strand Road, Kolkata-700 001
Phone: +91-33-22309601-05
Fax: +91-33-22434226
email: sclcal@shreecement.com

Corporate Office – Gurugram
9th & 17th Floor, DLF Epitome Tower B, Building No. 5, DLF Cyber City, Gurugram - 122 008, Haryana.
Phone: +91-124-4699200

Mumbai Office
Unit No. 1110A, 11th Floor, "C" Wing, One BKC Building, Plot No. C-66, G-Block, BKC, Bandra (East), Near MCA Club, Mumbai - 400 051
Phone: +91-22-26523455/57
email: shreemum@shreecement.com

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Shree Cement

www.shreecement.com

CIN No. L26943RJ1979PLC001935

SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar - 305 901 (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: share@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

NOTICE

NOTICE is hereby given that the 45th Annual General Meeting of the Members of **SHREE CEMENT LIMITED** will be held on **Tuesday, 6th August, 2024 at 11:30 A.M. (IST),** at the Registered Office of the Company at **"Rangmanch Auditorium", Bangur Nagar, Beawar – 305 901 (Rajasthan)** to transact the following businesses: -

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon; and
   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 and the Report of the Auditors thereon.
2. To confirm payment of Interim Dividend (₹50/- per equity share) for the financial year ended 31st March, 2024.
3. To declare dividend of ₹55/- per Equity Shares as final dividend, for the financial year ended 31st March 2024.
4. To appoint a Director in place of Mr. Prashant Bangur (DIN: 00403621), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, Mr. Sushil Kumar Roongta (DIN: 00309302), who was appointed as an Additional Director, designated as an Independent Director pursuant to provisions of Section 161 of the Act, who meets the criteria for Independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a Notice in writing under Section 160 of the Act proposing his candidature for the office of Director, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the company for a term of 5 (Five) consecutive years commencing from 14th May, 2024, and he shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of Listing Regulations, approval of the Members be and is hereby accorded for continuation of Mr. Sushil Kumar Roongta as independent director of the Company after he attains the age of 75 years during his tenure.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

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

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹6,75,000/- (Rupees Six Lac Seventy Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the audit, payable to M/s. K. G. Goyal and Associates, Cost Accountants (Firm Registration No. 000024), who have been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31st March 2025, be and is hereby ratified."

By order of the Board of Directors

S. S. Khandelwal
Company Secretary
(Membership No. F5421)

Date: 14th May, 2024
Place: Gurugram

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. A PROXY FORM IS ATTACHED HEREWITH.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.

3. Explanatory Statements setting out the material facts concerning each item of Special Business to be transacted at the AGM pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information of the Director proposed to be appointed/re-appointed at the Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 and other applicable provisions is provided in **Annexure - A** to this Notice.

4. Members/Proxies are requested to bring their Attendance Slip at the AGM.

5. When a Member appoints a Proxy and both the Member and the Proxy attend the AGM, the Proxy stands automatically revoked.

6. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.

7. A Member can inspect the Proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the said Meeting, provided he/she has given to the Company a notice in writing of his/her intention to inspect the Proxies not less than three days before the commencement of the said Meeting.

8. The Company has fixed Tuesday, 23rd July, 2024 as the 'Record Date' for payment of Final Dividend for the financial year ended 31st March, 2024, if approved at the AGM.

9. The final dividend, as recommended by the Board, if approved at the AGM will be paid on or after Wednesday, 7th August, 2024 to those Members:

   (i) whose names appear as Beneficial Owners in the list of Beneficial Owners on Tuesday, 23rd July, 2024 as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose; and

   (ii) whose names appear as Members in the Register of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company or its Registrar and Share Transfer Agent ("RTA") viz. Link Intime India Private Limited on or before Tuesday, 23rd July, 2024.

10. (A) In terms of Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the Company has transferred the unpaid or unclaimed dividend declared upto financial year 2016-17 (One-Time Special Dividend) to the Investor Education and Protection Fund (the IEPF) established by the Central Government after providing necessary intimations to the relevant Members.

    Final dividend for the Financial Year 2016-17 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of seven consecutive years will be transferred to IEPF. Further, in terms of the provisions of the IEPF Rules, equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority in terms of the IEPF Rules. Members, who have so far not encashed their final dividend relating to the financial year 2016-17 are requested to do so by 19th August, 2024 by writing to the Secretarial Department at the Registered Office of the Company or to Registrar and Share Transfer Agent (RTA) viz. Link Intime India Private Limited, failing which the dividend and the equity shares relating thereto will be transferred to the IEPF and the IEPF Suspense Account respectively.

(B) Members may claim refund of their dividend which has been transferred in IEPF from the IEPF Authority by following the procedure as prescribed under the IEPF Rules (as amended from time to time).

(C) Details of unclaimed dividend amounts lying with the Company has been uploaded on the website of the company as well as on the RTA's website. The said details have also been submitted to Ministry of Corporate Affairs and same can be accessed through the link: https://iepfa.gov.in/login.

(D) The details of dividend declared by the Company and last date of their transfer in the IEPF are given hereunder: -

Years	Type of Dividend	Dividend (₹ Per Share)	Date of declaration of Dividend	Due date for transfer of unpaid dividend in Investor Education and Protection Fund
2016-17	Final	24	31/07/2017	07/09/2024
2017-18	Interim	20	11/01/2018	13/02/2025
	Final	30	30/07/2018	29/08/2025
2018-19	Interim	25	22/01/2019	25/02/2026
	Final	35	09/08/2019	11/09/2026
2019-20	Interim	110	14/02/2020	16/03/2027
2020-21	Final	60	09/08/2021	09/09/2028
2021-22	Interim	45	04/02/2022	07/03/2029
	Final	45	28/07/2022	02/09/2029
2022-23	Interim	45	08/02/2023	15/03/2030
	2nd Interim	55	22/05/2023	27/06/2030
2023-24	Interim	50	31/01/2024	01/03/2031

The Members who have not yet claimed the dividend are requested to approach to the Company for dividend payment.

11. Regulation 12 read with Schedule I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires all companies to use the facilities of Electronic Clearing Services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the registered bank account of Members and demand drafts will be issued with bank particulars.

12. Members are requested to take note of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 whereby SEBI has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details. As per the said Circular, it shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. Service requests from physical folios wherein the PAN, KYC and Nomination details are not available will be taken up only after registering the required details. The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details.

The necessary forms in this regard have been made available in downloadable and fillable format on the website of the Company at https://www.shreecement.com/investors/shareholder-information and on RTA website at https://liiplweb.linkintime.co.in/KYC-downloads.html. Members are advised to register their details with the RTA, in compliance with the said Circular for smooth processing of their service requests.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be available for inspection by the Members at the time of commencement of the AGM and shall remain open and accessible to the Members during the AGM.

14. Relevant documents referred to in the Notice are open for inspection by the Members at the Registered Office of the Company on all working days other than Saturdays from 2:00 P.M. to 5:00 P.M. up to the date of AGM.

15. Link Intime India Private Limited is acting as Registrar & Share Transfer Agent (RTA) for both physical and electronic form of shareholdings. All communications relating to shares should be addressed to:-

    Link Intime India Private Limited
    Unit: Shree Cement Limited
    C-101, 1st Floor, 247 Park,
    Lal Bahadur Shastri Marg,
    Vikhroli (West),
    Mumbai - 400 083 (Maharashtra)
    E-mail: rnt.helpdesk@linkintime.co.in
    Phone no. : 8108116767

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Link Intime India Private Limited / Company.

17. As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. In view of the above and to avail the benefits of dematerialization (Demat), Members are requested to consider dematerializing their physical shares.

18. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meetings and other shareholder correspondences through Electronic Mode. Members holding shares in physical mode are requested to register their e-mail address with the Company/RTA and Members holding shares in demat mode are requested to register their e-mail addresses with their respective Depository Participants (DPs). If there is any change in the e-mail address already registered, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in Demat mode.

19. Copy of the Notice of the AGM, inter alia, indicating the process and manner of voting along with Attendance Slip, Proxy Form and the Annual Report 2023-24 are being sent in electronic mode to the Members whose e-mail addresses are registered with the Company's RTA/ Depository Participant(s), unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

20. A Route Map and prominent landmark for easy location of the venue of the AGM is enclosed with this Notice. Members may also note that the Notice of this AGM and the Annual Report of the Company for the year 2023-24 is also available on the website of the Company viz. www.shreecement.com.

21. **Instructions for voting through electronic means (e-voting) and other instructions relating thereto are as under:**

VOTING THROUGH ELECTRONIC MEANS

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the AGM by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

II. The facility for voting, through polling paper shall also be made available at the venue of the AGM. The Members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper. The Members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

III. The Company has engaged the services of National Securities Depository Limited (NSDL) as the Agency to provide remote e-voting facility.

IV. The Board of Directors of the Company has appointed Mr. Akshit Kumar Jangid (Membership No. F11285) and failing him Ms. Krati Upadhyay (Membership No. A58280), Practicing Company Secretaries, as Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.

V. Voting rights of the Members (for voting through remote e-voting or through polling papers at the meeting) shall be in proportion to shares of the paid-up equity share capital of the Company as on the **cut-off date i.e. Tuesday, 30th July, 2024.** A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM.

VI. The remote e-voting facility will be available during the following period:

a. Commencement of remote e-voting: 9:00 A.M. (IST) on Friday, 2nd August, 2024.

b. End of remote e-voting: 5:00 P.M. (IST) on Monday, 5th August, 2024.

c. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period.

VII. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 30th July, 2024, may obtain the User ID and Password by sending a request at evoting@nsdl.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and Password for casting the vote. In case of Individual Shareholders holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 30th July, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

VIII. In case a Member receives a physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories), initial password is provided in the enclosed Attendance Slip.

IX. Process and manner for Remote e-voting:

A. Step 1: Access to NSDL e-voting system

a. Login method for e-voting for Individual shareholders holding securities in demat mode

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / Depositories Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Login method for e-Voting 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	**A. NSDL Internet Based Demat Account Statement (IDeAS) facility** **If you are already registered for the NSDL IDeAS facility, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. 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 under Value added services. 4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-voting page. 5. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. **If the user is not registered for IDeAS e-Services, follow the below steps:** 1. Option to register is available at https://eservices.nsdl.com. 2. Select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Upon successful registration, please follow steps given in points 1-5 above.

Type of shareholders	Login Method
	B. E-Voting website of NSDL 1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/. 2. Once the home page of e-Voting system is launched, click on the "Login" icon which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your 16-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see e-Voting Page. Click on Company Name or e-Voting Service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-voting period.
	C. Mobile Application of NSDL - "NSDL Speede" Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. 2. Once logged-in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. 3. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" and "Forgot Password" option available on the above-mentioned website.

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

Login type	Helpdesk details
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.com or call at 022 - 4886 7000
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 e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

i. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholder/ Member" section.

iii. 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.

iv. Alternatively, if you are registered for NSDL e-services i.e. Internet Based Demat Account Statement (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.

v. Your User ID details are as follows:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	User ID
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***.

vi. Password details for shareholders other than individual shareholders 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 (See point "c" below). Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.

c) How to retrieve your 'initial password'?

- If your e-mail address is registered with your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account or the 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'.
- In case you have not registered your e-mail address with the Company / Depository, please follow instructions mentioned below in this notice.

vii. 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 hold shares in your demat account with NSDL or CDSL) option available on https://www.evoting.nsdl.com

b) "Physical User Reset Password?" (If you hold shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by the above two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

ix. Now, you will have to click on "Login" button.

x. After you click on the "Login" button, home page of e-voting will open.

B. Step 2: Cast your vote electronically on NSDL e-voting system

i. 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.

ii. Select "EVEN" of Shree Cement Ltd., to cast your vote during the remote e-Voting period.

iii. Now you are ready for e-voting as the Voting page opens.

iv. 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 "Confirm" buttons when prompted.

v. Upon confirmation, the message "Vote cast successfully" will be displayed.

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. General Guidelines for shareholders

i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at ppincha@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

ii. 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(s) available on www.evoting.nsdl.com to reset the password.

iii. In case of any queries, you may refer 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: 022-4886 7000 or send a request at evoting@nsdl.com.

In case of any grievances connected with facility for remote e-voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, evoting@nsdl.com, Tel: 022-48867000.

D. In case you have not registered your e-mail address with the Company/Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-voting:

Physical Holding	Visit the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. The members are requested to provide Folio Number, Name of Shareholder, scanned copy of Certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card). In case of any query, a member may send an e-mail to Registrar & Share Transfer Agent (RTA) at rnt.helpdesk@linkintime.co.in On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

Demat Holding	**A. Individual shareholders holding securities** Please refer to the login method explained at step **1 a.** i.e. Login method for e-voting for Individual shareholders holding securities in demat mode. **B. Other than Individual Shareholders** Please contact your Depository Participant (DP) and register your e-mail address in your demat account as per the process advised by your DP or alternatively shareholder/ members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing details such as 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).

Note: In terms of SEBI circular dated 9th December, 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 e-mail ID correctly in their demat account in order to access e-Voting facility.

22. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
23. The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's Equity Shares are listed (BSE Limited & National Stock Exchange of India Ltd.) and shall also be displayed on the Company's website www.shreecement.com and NSDL's website https://www.evoting.nsdl.com/
24. The Scrutinizer's decision on the validity or otherwise of the E-voting will be final. The relevant information w.r.t. voting by electronic means shall be under the safe custody of the Scrutinizer till the Chairman considers, approves and signs the minutes.
25. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to refer to the Income Tax Act, 1961 (as amended from time to time) and circulars/ notifications issued thereunder for the applicable rates of tax to be deducted at source for various categories. The Company will be issuing a communication detailing information regarding deduction of tax at source on dividend distribution including action required from members prior to payment of dividend, separately.
26. Company shall provide the facility of live webcast of proceedings of Annual General Meeting. Members who are entitled to participate in the Annual General Meeting can view the proceeding of Annual General Meeting by logging on the e-voting website of NSDL at https://www.evoting.nsdl.com using their secure login credentials.

By order of the Board of Directors

S. S. Khandelwal
Company Secretary
(Membership No. F5421)

Date: 14th May, 2024
Place: Gurugram

ANNEXURE TO THE NOTICE DATED 14TH MAY, 2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Based on the recommendation of the Nomination cum Remuneration Committee (NRC), the Board of Directors of the Company in its meeting held on 14th May, 2024 has appointed Mr. Sushil Kumar Roongta (DIN: 00309302) as an Additional Director of the Company, designated as an Independent Director w.e.f. 14th May, 2024.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Sushil Kumar Roongta holds office as an Additional Director till the date of the ensuing 45th Annual General Meeting (AGM) scheduled on 6th August, 2024. Further, pursuant to the provisions of Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to obtain approval of shareholders for the appointment of an Independent Director at the next general meeting or within a time period of 3 (three) months from the date of appointment, whichever is earlier.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 14th May, 2024 recommended the appointment of Mr. Sushil Kumar Roongta as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 14th May, 2024, subject to the approval of the Members of the Company.

As per Regulation 17(1A) of Listing Regulations, no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a Special Resolution is passed to that effect. Since Company is already seeking the appointment of the aforesaid Independent Directors by way of Special Resolution for his term, the requirement of the said clause has also been complied with. Approval of members is also sought for continuation of appointment of Mr. Sushil Kumar Roongta as Independent Director of the Company after attainment of the age of 75 years during his proposed term.

Mr. Sushil Kumar Roongta is the former Chairman of Steel Authority of India Limited (SAIL), one of India's largest public sector company. He is an Electrical Engineer from Birla Institute of Technology & Science (BITS), Pilani and a Post Graduate Diploma in Business Management – International Trade from the Indian Institute of Foreign Trade (IIFT), New Delhi, having a wide and varied experience in Public Sector Undertakings.

Mr. Roongta is a fellow of All India Management Association (AIMA) & fellow of Indian National Academy of Engineering (INAE). He was member of various Apex Chambers - Chairman of 'Steel Committee' of FICCI, member of National Council of CII and Advisory Council of ASSOCHAM. He was also President of Institute for Steel Development & Growth (INSDAG) and a member of the Executive Committee of the World Steel Association - The Apex Body for formulation of policy for world steel. He was Chairman of Board of Governors of IIT - Bhubaneswar. He has been part of various think tanks and is widely regarded as one of the principal experts in the field of metal, power and public sector turnarounds. He was Chairman of 'Panel of Experts on reforms in Central Public sector enterprises' constituted by Planning Commission. Widely known as 'Roongta Committee', its report is taken as benchmark for Public Sector Reforms.

Mr. Roongta is the recipient of a number of awards including "Standing conference of public enterprises SCOPE Award for Excellence & Outstanding Contribution to the Public Sector Management" – Individual Category; 2007-08 and IIM-JRD Tata award for excellence in Corporate Leadership in Metallurgical industries, 2016. Mr. Roongta is also associated with Educational Institutions and various Non-Profit organizations.

In terms of clause (1A) of Para A of Part D of Schedule II of the Listing Regulations, the Nomination cum Remuneration Committee confirms that Mr. Sushil Kumar Roongta has the capabilities required in the Board of the Company as identified by it on the basis of the evaluation of the balance of skills, knowledge and experience on the Board of the Company.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and as per Regulation 16 of the Listing Regulations. In terms of Regulation 25(8) of Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He further confirmed the compliance of Rule 6 of the Companies (Appointment and Qualification of Directors) Rule, 2014 regarding inclusion of his name in the databank of the Indian Institute of Corporate Affairs (IICA).

The Company has received a Notice in writing from a member of the Company as per the provisions of

Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Sushil Kumar Roongta fulfils the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and is independent of the management.

A copy of draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company on all working days other than Saturdays from 2:00 P.M. to 5:00 P.M. up to the date of the AGM and is also available on the website of the Company at https://www.shreecement.com/investors/disclosure-regulation

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at item no. 5 of the Notice for approval by the Members.

Item No. 6

The Board of Directors of Company in its meeting held on 14th May, 2024 on the recommendation of the Audit committee, has approved the appointment and remuneration of M/s. K. G. Goyal and Associates, Cost Accountants, Jaipur (Firm Registration No. 000024) to conduct the audit of cost records of the Company for the financial year ending on 31st March, 2025.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2025.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 6 of the Notice for approval by the Members.

By order of the Board of Directors

S. S. Khandelwal
Company Secretary
(Membership No. F5421)

Date: 14th May, 2024
Place: Gurugram

ANNEXURE A - TO ITEM NO. 4 AND 5 OF THE NOTICE

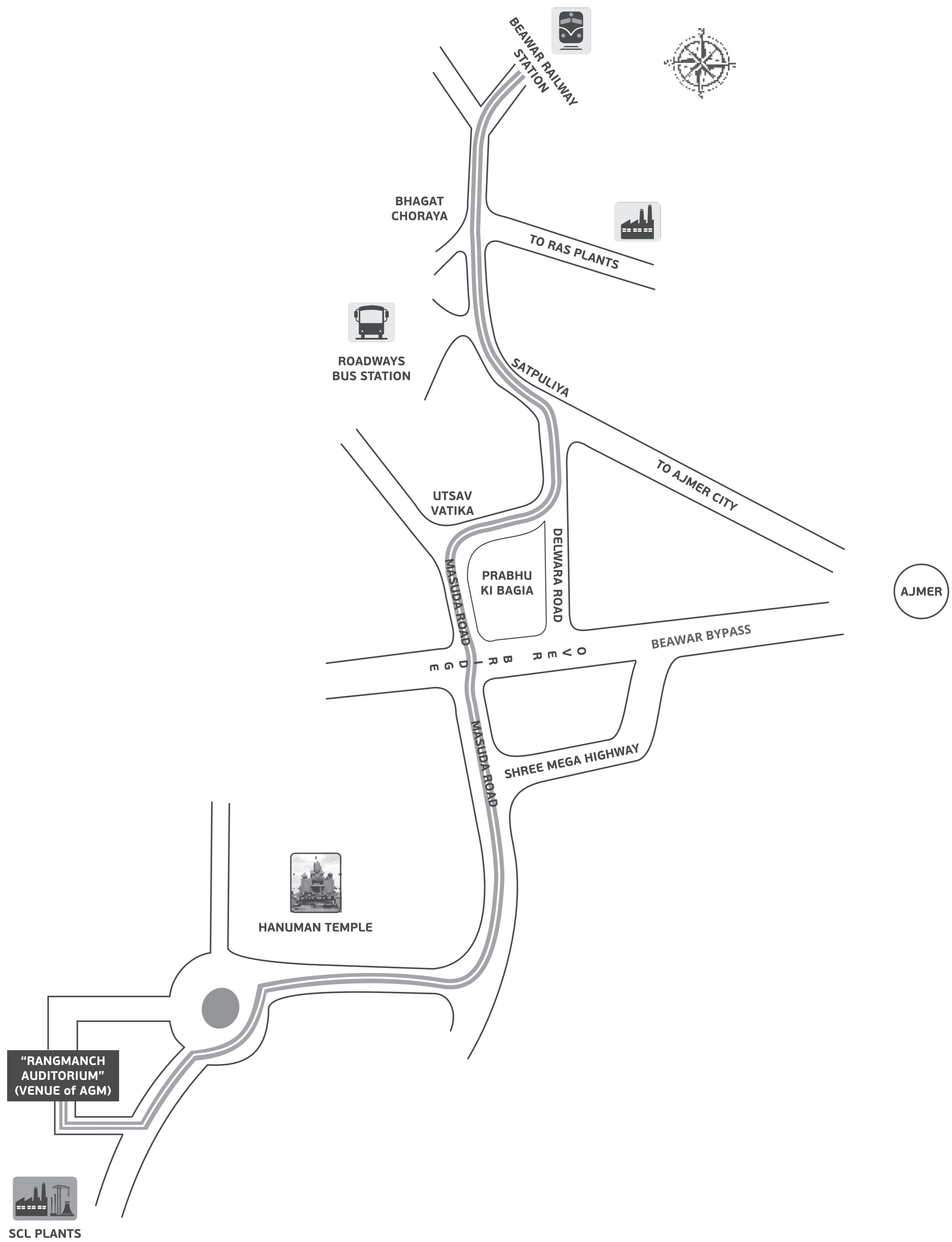
Sr. No.	Nature of Information	Item No. 4 of Notice	Item No. 5 of Notice
1	Name	Mr. Prashant Bangur	Mr. Sushil Kumar Roongta
2	Date of Birth / Age	22nd June, 1980 (43 Years)	9th May, 1950 (74 years)
3	Nationality	Indian	Indian
4	Date of First Appointment	23rd August, 2012	14th May, 2024
5	Qualification	B.Sc., Master of Business Administration	B.E. (Electrical), PG Diploma in Business Management - International Trade, Fellow of All India Management Association (AIMA).
6	Experience and Nature of expertise in specific functional area	Business Planning and Corporate Management	Please refer Explanatory Statement
7	Relationships between Directors / KMP inter-se	Son of Mr. H. M. Bangur, Chairman.	No relationship
8	Shareholding in the Company (including as Beneficial Owner)	3,89,750* Equity Shares	Nil
9	No. of Board meetings attended during the year	FY 2023-24 : 3 (Three)	FY 2023-24: Nil (Appointed as Independent Director w.e.f 14th May, 2024)
10	Directorship in other Companies	- The Marwar Textiles (Agency) Private Limited - Indian Chamber of Commerce Calcutta - Ragini Properties Private Limited - Khemka Properties Pvt Ltd	- Adani Power Limited - Jubilant Pharmova Limited - Jubilant Ingrevia Limited - Bharat Aluminium Co. Ltd - Hero Steels Limited - Zuari Industries Limited - JK Paper Limited - Titagarh Rail Systems Limited
11#	Chairmanship / Membership of Committees of Board of Directors of the Company	**Shree Cement Ltd.:** - Risk Management Committee - Member - CSR and Sustainability Committee - Member	Nil
12#	Chairmanship / Membership of Committees of Board of Directors of other Companies	NIL	**Adani Power Limited:** - Audit Committee – Member - Nomination and Remuneration Committee - Chairman - Stakeholders Relationship Committee - Chairman - Risk Management Committee - Member - Corporate Social Responsibility Committee – Member **Jubilant Pharmova Limited:** - Audit Committee – Member - Nomination and Remuneration Committee – Chairman - Corporate Social Responsibility Committee – Member - Risk Management Committee – Chairman **Jubilant Ingrevia Limited:** - Audit Committee - Chairman - Stakeholders Relationship Committee – Member - Risk Management Committee –Member - Corporate Social Responsibility Committee – Member

Sr. No.	Nature of Information	Item No. 4 of Notice	Item No. 5 of Notice
			Zuari Industries Limited: - Audit Committee – Member - Nomination and Remuneration Committee – Member - Stakeholders Relationship Committee – Member - Corporate Social Responsibility Committee – Chairman **JK Paper Limited:** - Stakeholders Relationship Committee – Member - Risk Management Committee – Member **Titagarh Rail Systems Ltd.:** - Nomination and Remuneration Committee – Member - Risk Management Committee –Member **Hero Steels Ltd.:** - Audit Committee – Chairman - Nomination and Remuneration Committee – Chairman **Bharat Aluminium Co. Ltd. :** - Audit Committee – Member - Nomination and Remuneration Committee – Member - Corporate Social Responsibility Committee – Chairman
13	Listed entities from which the person has resigned in past three years	NIL	- ACC Limited
14	Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid	As per the approval accorded by Members vide Postal Ballot Notices dated 4th February, 2022 & 14th October, 2022 passed by the members on 1st April, 2022 & 7th December, 2022 respectively.	As provided in Item No. 5 of Notice of this 45th AGM.
15	Remuneration last drawn, if any	Last remuneration drawn is provided in Corporate Governance Section of the Annual Report 2023-24.	Not Applicable
16	Skills and capabilities required for the role and manner in which the requirements are met with and Justification for the appointment	Not applicable since Mr. Prashant Bangur is to be re-appointed by virtue of retire by rotation.	The Nomination cum Remuneration Committee has identified among others, strategic planning, understanding of the Business/Industry and financials, marketing strategy and oversight of risk and regulatory compliances as the skills required for the role of Director. Mr. Sushil Kumar Roongta has the said requisite skills and capabilities for the Role as Independent Director of the Company.

* Out of the 3,89,750 shares held by Mr. Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group).

Chairmanship / Membership of only Mandatory Committees (i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationships Committee, Risk Management Committee and Corporate Social Responsibility Committee) have been considered.

ROUTE MAP TO THE VENUE OF THE 45TH AGM OF THE COMPANY



SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar - 305 901 (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: share@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

Form No. MGT -11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) ....

....

Registered Address: ....

E-mail ID: ....

Folio No./DP ID and Client ID: ....

I/We, being the Member(s) having .... shares of the above named Company, hereby appoint:-

1. Name: .... E- Mail ID:..

   Address: ....

   Signature:..or failing him/her

2. Name: .... E- Mail ID:..

   Address: ....

   Signature:..or failing him/her

3. Name: .... E- Mail ID:..

   Address: ....

   Signature:..

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting, to be held on **Tuesday, 6th August, 2024 at 11:30 A.M. (IST),** at the Registered Office of the Company at 'Rangmanch Auditorium', Bangur Nagar, Beawar - 305 901 (Rajasthan) and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description	For*	Against*
1.	To receive, consider and adopt: a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon; and b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 and the Report of the Auditors thereon.		
2.	Confirmation of payment of Interim Dividend (₹50 per equity share) for the financial year ended 31st March, 2024.		
3.	To declare Final Dividend on equity shares of the Company for the financial year ended 31st March, 2024.		
4.	Re-appointment of Mr. Prashant Bangur (DIN: 00403621), Director of the Company, who retires by rotation.		
5.	Appointment of Mr. Sushil Kumar Roongta as Independent Director of the Company for 5 (Five) consecutive years w.e.f. 14th May, 2024		
6.	Ratification of remuneration of M/s. K. G. Goyal and Associates, Cost Accountants as Cost Auditors of the Company for the financial year ending on 31st March, 2025.		

* Please put a (√) in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this..day of .... 2024.

Affix ₹ 1 Revenue Stamp

....

Signature of Shareholder

....

Signature of first proxy holder | Signature of second proxy holder | Signature of third proxy holder

Notes:

1. **THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. A Proxy need not be a Member of the Company.
3. In case the Member appointing Proxy is a body corporate, the Proxy Form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the Proxy Form.
4. A person can act as Proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as Proxy for any other person or Member.
5. Appointing a Proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

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CIN: L26943RJ1979PLC001935

ATTENDANCE SLIP

45TH ANNUAL GENERAL MEETING

(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE)

Serial No. :

Name and Registered Address :

Name of Joint Holder(s) :

DP ID & Client ID / Folio No. :

No. of Shares held :

Name of Proxy/Representative, if any :

I/We hereby record my/our presence at the **45th Annual General Meeting** of the Members of the Company on **Tuesday, 6th August, 2024 at 11:30 A.M. (IST),** at "Rangmanch Auditorium", Bangur Nagar, Beawar - 305 901 (Rajasthan).

....

Signature of Member/Proxy/Representative

Note: Shareholders/Proxies/Representatives are requested to produce this Attendance Slip, duly signed for admission to meeting venue. The admission may, however, be subject to further verification/checks, as may be deemed necessary.