



**PANYAM
CEMENTS AND MINERAL
INDUSTRIES LIMITED**



2022-23

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CORPORATE INFORMATION

A company which went through Corporate Insolvency Resolution Process by National Company Law Tribunal (“NCLT”) vide order dated 14th May, 2020 and revived through Resolution Plan approved by NCLT vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021.

IMPLEMENTATION AND MONITORING COMMITTEE

(Handed-over the affairs of the Company to the new Board of Directors in their last meeting held on 13th January, 2023)

Mr. Akella Peri Srinivas
(Discharged w.e.f. 13.01.2023) Member

Mr. Sreekanth Reddy Sammidi
(Discharged w.e.f. 13.01.2023) Member

Mr. Prasad Kolluru
(Discharged w.e.f. 13.01.2023) Member

Mr. Bhruvesh Amin
(Discharged w.e.f. 13.01.2023) Member

BOARD OF DIRECTORS

Mrs. Srinisha Jagathrakshakan
(Appointed as MD w.e.f. 20.12.2022) Managing Director

Mr. Narayanasamy Elamaran
(Appointed w.e.f. 20.12.2022) Non-Executive Director

Mr. Balachandran Ramachandran
(Appointed w.e.f. 20.12.2022) Independent Director

Mr. Vasudevan Raghavan
(Appointed w.e.f. 20.12.2022) Independent Director

Mr. Asuri Ramesh Rangan Sholinghur
(Appointed w.e.f. 13.01.2023) Independent Director

STATUTORY AUDITORS

K. S. Rao & Co.
Chartered Accountant
Flat 601A, Golden Green Apartments,
Irrum Manzil Colony, Hyderabad – 500 082
Telephone No. 040-23370004
Email: pgreddy@ksrao.in

SECRETARIAL AUDITORS

B S S & Associates
Practicing Company Secretaries
Flat No 5A, Parameswara Apartments,
Beside SBI, Anand Nagar, Khairatabad,
Hyderabad - 500 044, India
Telephone No. 040-40171671
Email: cs@bssandassociates.com

ISIN

INE167E01037

CIN

L26940AP1955PLC000546

BANKERS

Canara Bank
Cement Nagar, Andhra Pradesh

**REGISTRAR &
SHARE TRANSFER AGENTS**

XI Softech Systems Limited
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad - 500 034.
Phone Nos.: 040-23545913/14/15
Fax No.: 040-23553214
Email: xlfield@gmail.com

REGISTERED OFFICE

10/156, Betamcherla Road, Betamcherla,
Cement Nagar, Kurnool – 518206,
Andhra Pradesh.
Telephone Nos.: 08514-222274
Email: pcmil2021@panyamcements.in

CORPORATE OFFICE

H.No. 1-65, 1st Floor, Plot No.539,
Guttala Begumpet Village, Madhapur,
Hyderabad– 500081, Telangana.
Telephone Nos.: 040-23555317
E-mail: pcmilcao@panyamcements.in
Website: www.panyamcements.in

CEMENT WORKS:

Cement Nagar - 518 206
Kurnool District, A.P.
Telephone Nos.: 08516-274638
Email: pcmil2021@panyamcements.in

PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED

CIN: L26940AP1955PLC000546

Registered Office: 10/156, Betamcherla Road, Betamcherla, Cement Nagar,
Kurnool-518 502, Andhra Pradesh, India.

NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY

The Hon'ble National Company Law Tribunal, Amaravati Bench, ("NCLT"), vide its order dated 14th May, 2020 admitted the application for the initiation of the Corporate Insolvency Resolution Process ("CIRP") of Corporate Debtor ("The Company") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"). Further, the NCLT vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2023 approved the Resolution Plan for revival of the Company. Thereafter, the Joint Lenders at their meeting held on 06th July, 2021 nominated the members of Implementation and Monitoring Committee (IMC) to oversee implementation of approved resolution plan and look after affairs of the Company. The said IMC has discharged their duties in their last meeting held on 13th January, 2023 and handed-over the affairs of the Company to the new board of directors.

Notice is hereby given that the 67th Annual General Meeting of members of Panyam Cements and Mineral Industries Limited (the Company) will be held on Friday, 29th September, 2023 at 12:00 p.m. IST, through Video Conferencing/ Other Audio Visual Means (VC/OAVM) [The venue of the meeting shall be deemed to be the registered office of the Company at 10/156, Cement Nagar, Betamcherla, Nandyal-518206, Andhra Pradesh] to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENT FOR THE FY 2022-23.

To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2023 together with the reports of the directors and auditors thereon and in this regard to pass the following resolution as an **Ordinary Resolution**.

RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March 2023 together with the reports of the Directors and Auditors thereon be and is hereby received, considered, approved and adopted.

2. TO RE-APPOINT THE RETIRING DIRECTOR BY ROTATION.

To re-appoint the retiring director, Mr. Narayanasamy Elamaran (DIN: 01744259), who retires by rotation and being eligible, offers himself for re-appointment as director and in this regard to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Narayanasamy Elamaran (DIN: 01744259) who retires by rotation in accordance with Section 152 of the Companies, Act, 2013 be and is hereby reappointed as a director liable to retire by rotation."

SPECIAL BUSINESS:

3. TO SUBSTITUTE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to section 13, section 61 and any other applicable provisions of Companies Act, 2013 read with relevant rules (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of members be and is hereby accorded to amend the authorised share capital of the Company to Rs. Rs.21,50,00,000/- (Rupees Twenty One Crores and Fifty Lakhs only) divided into 2,15,00,000 (Two Crores and Fifteen Lakhs) equity shares of Rs.10/- (Rupees Ten only) each.

RESOLVED FURTHER THAT Board of Directors of the Company is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

4. TO ALTER AND ADOPT MEMORANDUM OF ASSOCIATION AS PER COMPANIES ACT, 2013:

To consider and if thought fit, to pass with or without modifications, the following Resolution as **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and any other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Table A of the Schedule I of the Act, consent of the members be and is hereby accorded for alteration in the Memorandum of Association of the Company by renaming Clause III(A), replacing object no. 18 (a) to 18(aa) with new set of objects under Clause III(B) 1 to 37 which are necessary for furtherance of the objects specified in Clause III (A), renaming Clause IV and insertion of clause serial no. 'VI'."

RESOLVED FURTHER THAT in accordance with the Table A of the Schedule I of the Act, the Clause III (A) and Clause IV of the Memorandum of Association of the Company, be renamed as under:

Clause III (A) – The objects to be pursued by the Company on its incorporation are:

Clause IV - The Liability of the member(s) is Limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

RESOLVED FURTHER THAT Board of Directors of the Company is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

5. TO ALTER AND ADOPT ARTICLES OF ASSOCIATION AS PER COMPANIES ACT, 2013.

To consider and if thought fit, to pass with or without modifications, the following Resolution as **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 ("the Act"), read with relevant rules in force (including any statutory modification(s) or re-enactment thereof, for the time being in

force) and in accordance with the Table F of the Schedule I of the Act, consent of members be and is hereby accorded for alteration of Articles of Association of the Company by replacing the existing set of Articles of Association of the Company with a new set of Articles of Association.

RESOLVED FURTHER THAT Board of Directors of the Company is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

6. TO APPROVE RELATED PARTY TRANSACTIONS.

To consider and if thought fit, to pass with or without modifications, the following Resolution as **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended if any, approval of the members be and is hereby accorded to Board of Directors of the Company (the "Board" which expression shall also include a committee thereof) to enter into contract(s)/ arrangement(s)/ transaction(s) (including any modifications, alterations or amendments thereto) with the following related parties, on such terms and conditions as the Board of Directors may deem fit, provided that the terms of said contract(s)/ arrangement(s)/ transaction(s) so carried out with the terms of the Related Party shall be in the ordinary course of business at arms' length price on continuous basis.

S. No	Name of related party	Nature of relationship	Monetary value of transaction in crores (over & above the limits specified under section 188 read with rule 15 but not exceeding on aggregate)	Name, material terms and particulars of arrangements/ contracts
1.	R V Consulting Services Private Limited	Promoter	Upto Rs.200 Crores per annum	Availing their support services including maintenance of cement plant in ordinary course of business at arm's length price on continuous basis.
2.	Sagar Cements Limited	Promoter Group	Upto Rs.100 Crores per annum	Purchase/ sale of Clinker or Cement in ordinary course of business at arm's length price on continuous basis.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions not exceeding the limits as mentioned above and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or officer(s) of the Company and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of the said transaction and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.”

By Order of the Board of Directors

For PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED

Sd/-

SAI PRASHANTH GUJJA

Company Secretary

Date: 04th September, 2023

Place: Hyderabad

Notes:-

1. This Annual General Meeting is convened through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) pursuant to General Circular number 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 20/20 dated 05.05.2020, 28/2020 dated 17.08.2020, 02/2021 dated 13.01.2021, 19/2021 dated 08.12.2021, 21/2021 dated 14.12.2021, 02/2022 dated 05.05.2022 and 10/2022 dated 28.12.2022 issued by the Ministry of Corporate Affairs (MCA) which allows the companies to hold the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means (“VC / OAVM”), without the physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 (“Act”) read with the MCA and SEBI Circulars, the 67th Annual General Meeting of the Company is being conducted through Video Conferencing or Other Audio Visual Means (“VC /OAVM”) (hereinafter referred to as “AGM” or “e-AGM”).
3. **e-AGM:** The company has appointed M/s KFin Technologies Limited (“KFIN”), as the authorized agency to provide the VC/OAVM facility for conducting AGM electronically and for voting through remote e-voting or through e-voting at the e-AGM.
4. Pursuant to the provisions of the Act, normally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Further as per the MCA Circulars and SEBI Circular, the facility for appointment of proxies by the Members will not be available for the e-AGM.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/ Authorization should be sent electronically through their registered email address to the Scrutinizer at cs@bssandassociates.com with a copy marked to evoting@kfintech.com and Company’s email id at pcmilcao@panyamcements.in.

6. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the special business under Item No.3 to 6 of the accompanying Notice, is given in the Annexure-1. The Board at its meeting held on 4th September, 2023 considered all the special businesses mentioned in the notice of the AGM, as being unavoidable and be transacted at the 67th AGM of the Company.
7. The relevant details required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment / re-appointment at this AGM are given in the Annexure-2.
8. The Company’s Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is XL Softech Systems Limited having office at 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500 034.
9. **Attendance at the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at <https://evoting.kfintech.com> by clicking “e-AGM-Video Conference & streaming” and access the shareholders’/members’ login by using the remote e-voting credentials which shall be provided as per Note No.20 below. Kindly refer to Note No.19 below for detailed instructions for participating in the e-AGM through video Conferencing.
10. The Members can join the e-AGM 15 minutes before the meeting or within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
11. As per the MCA Circular, facility of joining the e-AGM through VC/OAVM shall be available for 1000 members on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
12. A member’s log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the Act).
13. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through KFin Technologies Limited. Kindly refer Note No.20 below for detailed instruction for remote-voting.
14. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through the e-voting system provided by KFin Technologies Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note No.21 below for instruction for e-voting during the AGM.
15. The Company has fixed 21st September, 2023 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for

participation and voting in the e-AGM. 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 be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.

16. The Register of Members and Transfer Book of the Company will be closed from 22nd September, 2023 to 29th September, 2023 (both days inclusive).
17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the e-AGM along with the Annual Report for the financial year ended on 31st March, 2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at <https://www.panyamcements.in>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The same is also available on the website of KFin Technologies Limited at their website address <https://evoting.kfintech.com>.
18. **Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form).**
 - i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, XL Softech Systems Limited by sending an e-mail request at the email Id xlfield@gmail.com along with scanned copy of the duly signed request letter by first holder providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.
 - ii. Those members who have registered their e-mail address, mobile no., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting XL Softech Systems Limited, the Registrar and Share Transfer Agent of the Company, in case of shares held in physical form.
19. **Instructions to the Members for attending the e-AGM through Video Conference.**
 - i. **For Attending the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may login into its website link <https://emeetings.kfintech.com> by using the remote e-voting credentials. After logging in, click on "Video Conference" option and the Name of the Company can be selected.
 - ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-voting in Note No.20 below.

- iii. Members are encouraged to join the Meeting through Desktops, Laptops, Smart phones, Tablets and iPads with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22 for better experience.
- iv. Further, Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
- v. Please note that participants using Mobile Devices or Tablets or Laptops or accessing the internet via “Mobile Hotspot” may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vi. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.
- vii. **Submission of Questions / queries prior to e-AGM:** Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company’s investor email-id i.e., pcmilcao@panyamcements.in mentioning their name, DP ID- Client ID/ Folio number at least 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members’ questions will be answered only if they continue to hold the shares as of cut-off date.
- viii. **Speaker Registration before e-AGM:** In addition to above, speaker registration may also be allowed during the remote e-voting period. Shareholders who wish to register as speakers are requested to visit <https://emeetings.kfintech.com> and click on ‘Speaker Registration’ during this period. Shareholders shall be provided with a ‘queue number’ before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in note no. 19(vii) above.
- ix. Members who wish to inspect, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to pcmilcao@panyamcements.in.

20. **Instructions for members for remote e-Voting:**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Limited (‘remote e-voting’). Members attending the e-AGM who have not already cast their vote by remote e-voting shall be able to cast their vote electronically during the meeting (e-

voting) when window for e-voting is activated upon instructions of the Chairman. However, in 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 / 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 to access e-voting facility.

- i. The remote e-voting facility will be available during the following period:
 - a. Day, date and time of commencement of remote e-voting 26th September, 2023 (09.00 A.M. IST) and ends on 28th September, 2023 (05.00 P.M. IST).
 - b. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed Thursday, 28th September, 2023 at 05:00 P.M.
- ii. Details of Website: <https://evoting.kfintech.com>.
- iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being 21st September, 2023. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.
- iv. The Company is sending through email, the AGM Notice and the Annual Report to the shareholders whose name is recorded as on 05th September, 2023 in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of the Company and becomes Member of the Company after 05th September, 2023 being the date reckoned for sending through email, the AGM Notice & Annual Report and who holds shares as on the cut-off date i.e. 21st September, 2023 may obtain the User ID and password in the manner as mentioned below:
 - a. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD ‘e-voting Event Number + Folio number or DP ID Client ID to +91-9212993399.
Example for NSDL: MYEPWD<SPACE>IN12345612345678
Example for CDSL: MYEPWD<SPACE>1402345612345678
Example for Physical: MYEPWD<SPACE>XXXX1234567890
 - b. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Member may call KFin’s Toll free number 1-800-3094-001. Member may also send an e-mail request to evoting@kfintech.com.

- v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Limited upon expiry of aforesaid period.
- vi. **Details of persons to be contacted for issues relating to e-voting:** Mr. S V Raju, Deputy Vice President - Corporate Registry, KFin Technologies Limited, Unit: Panyam Cements and Mineral Industries Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032. Contact Toll Free No.: 1800-3094-001.
- vii. **Details of Scrutinizer:** Shri. S. Srikanth, Partner. Representing M/s.B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- viii. A Member can opt only for single mode of voting i.e., through remote e-voting or voting at the e-AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the e-AGM shall be treated as invalid.
- ix. The procedure and instructions for the remote e-voting facility for Individual shareholders holding securities in demat mode are provided as follows.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility: Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</p> <p>2. User not registered for IDeAS e-Services To register click on link : https://eservices.nsdl.com Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in point 1.</p> <p>3. Alternatively, by directly accessing the e-Voting website of NSDL Open URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section.</p>

	<p>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>Post successful authentication, you will be requested to select the name of the company and the e-voting Service Provider name, i.e. KFintech.</p> <p>On successful selection, you will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com Click on New System Myeasi Login with your registered user id and password. The user will see the e-voting Menu. The Menu will have links of ESP i.e. KFintech e-voting portal. Click on e-voting service provider name to cast your vote. 2. User not registered for Easi/Easiest Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1 3. Alternatively, by directly accessing the e-Voting website of CDSL Visit URL: www.cdslindia.com Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e-voting is in progress.
<p>Individual Shareholder login through their demat accounts Website of Depository Participant</p>	<p>You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility.</p>

	<p>Once logged-in, you will be able to see e-voting option.</p> <p>Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</p> <p>Click on options available against company name or e-voting service provider - KFintech and you will be redirected to e-voting website of KFintech for casting your vote during the remote e-voting period without any further authentication.</p>
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Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542/43

x. The procedure and instructions for remote e-voting facility for shareholders other than individual shareholders holding securities in demat mode and shareholders holding shares in physical mode are provided as follows:

- a. Open your web browser during the remote e-voting period and navigate to '<https://evoting.kfintech.com>'.
- b. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. or DP ID /Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- c. After entering these details appropriately, click on "LOGIN".

You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with

any other person and that you take utmost care to keep your password confidential.

- d. You need to login again with the new credentials.
- e. On successful login, the system will prompt you to select the e-voting Event Number for Panyam Cements and Mineral Industries Limited.
- f. If you are holding shares in Demat form and had logged on to <https://evoting.kfintech.com> and casted your vote earlier for any other Company, then your existing login id and password are to be used.
- g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 21st September, 2023 under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut- off date.
- h. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- i. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- j. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- k. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
- l. During the voting period, Members can login any number of times till they cast their vote on the Resolution(s).
- m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: cs@bssandassociates.com with a copy to evoting@kfintech.com and pcmilcao@panyamcements.in. They shall also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available at the download section of <https://evoting.kfintech.com> or contact Mr. S V Raju, Deputy Vice President of KFin Technologies Limited at 1800- 3094-001 (toll free).

- n. The Scrutinizer's decision on the validity of the vote shall be final.
- o. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it

subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the e-AGM, however such Member shall not be allowed to vote again during the e-AGM.

- p. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than two working days of conclusion of the e-AGM to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.
- q. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e. <https://www.panyamcements.in> and on the website of KFin Technologies Limited i.e., <https://evoting.kfintech.com>. The results shall simultaneously be communicated to BSE Limited, where the shares of the Company are listed. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
- r. The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the e-AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

21. **Instructions for members for Voting during the e-AGM session**

- i. The e-voting window shall be activated upon instructions of the Chairman of the meeting during the e-AGM.
- ii. e-voting during the AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
- iii. Members / shareholders, attending the e-AGM through Video Conference, who have not cast their vote on resolutions through Remote e-voting alone shall be eligible to cast their vote through e-voting system available during the e-AGM.
- iv. Members who have voted through Remote e-voting will be eligible to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

- 22. As per the Central Board of Direct Taxes (CBDT), it is mandatory to link PAN with Aadhaar number by June 30, 2023. Post June 30, 2023 or any other date as may be specified by the CBDT, RTAs shall accept only valid PANs and the ones which are linked to the Aadhar number. The folios in which PAN is / are not valid as on the notified cut-off date of June 30, 2023 or any other date as may be specified by the CBDT, shall also be frozen.
- 23. Updation of Members' details: Pursuant to the SEBI Circular No(s). SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/23 dated February 24, 2022 and SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July 23, 2021, Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, KYC details, Nomination details, bank mandate details for payment of dividend etc. Members holding shares in physical form are requested to furnish the above details

to the Company or XL Softech Systems Limited, its Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to furnish the details to their respective DP.

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, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to XL Softech Systems Limited.

Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS), they should update their NECS / ECS details with the Company's Registrar and Share Transfer Agents i.e., XL Softech Systems Limited (for the shares held in physical form) and their respective Depository Participants (for the shares held in electronic form).

Members who are holding the shares in physical form are requested to execute the ISR Form-1 & ISR Form-2 to update the changes, if any, in their registered address, signature, contact details, Bank Mandate etc., and to update their PAN number, Phone number, Email address, demat account details etc., and send to the Company's Registrar and Share Transfer Agents indicating their Folio number therein at the address mentioned in Note No. 8.

Members can execute the Form No. SH-13, Form ISR-3 & Form No. SH-14 in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 for registration of nomination, declaration Form for opting-out of Nomination and cancellation or variation of nomination respectively and send to the Company's Registrar and Share Transfer Agent indicating their Folio number therein at the address mentioned in Note No. 8.

Members holding shares in electronic form are therefore, requested to furnish their details to their respective Depository Participant ("DP") with whom they are maintaining their demat accounts for updating their PAN, KYC details, Nomination and Bank mandate details etc.

24. The members / investors may send their complaints/queries, if any to the Company's Registrar and Share Transfer Agents' e-mail id: xlfield@gmail.com or to the Company's official e-mail id: pcmilcao@panyamcements.in.
25. Members seeking any information/documents referred to in the Notice and the Explanatory statement and with regard to the accounts or any other matter to be placed at the AGM are available for inspection up to the date of AGM and members are also requested to write to the Company on or before 21st September, 2023 through email to pcmilcao@panyamcements.in in for seeking information, if any, the same will be replied by the Company suitably.
26. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition and relogged transfers of securities.

27. To enhance ease of dealing in securities markets by investors, SEBI has decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated January 24, 2022) while processing the service request mentioned in the above notification (viz., Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Transmission and Transposition etc). In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice for dematerializing the same. Members may also contact the Company or its Registrars and Transfer Agents, XL Softech Systems Limited for assistance in this regard.
28. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
29. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
30. Members may note that the Annual Report for the year 2022-2023 is also available on the Company's website www.panyamcements.in for their download.
31. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-voting facility to its Members in respect of the business to be transacted at the 67th AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.
32. 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 be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.
33. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e- AGM.
34. During the 67th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the e-AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the AGM.
35. The transcript of this meeting, shall be made available on the website of the company.
36. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.panyamcements.in and on the website of KFin

Technologies Systems Limited immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai, where the shares of the Company are listed.

37. Since the AGM will be held through VC / OAVM, the Route Map, proxy form and attendance slip are not annexed to this Notice.

By Order of the Board of Directors
For **PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED**

Date: 04th September, 2023
Place: Hyderabad

Sd/-
SAI PRASHANTH GUJJA
COMPANY SECRETARY

Annexure to the Notice of the 67th Annual General Meeting

Annexure 1

Statement pursuant to Section 102(1) of the Companies Act, 2013

As required by Section 102 of the companies Act, 2013("Act"), the following Explanatory sets out all material facts relating to the business mentioned under Item 3 to 6 of the accompanying Notice dated 04th September, 2023.

ITEM NO.3: TO SUBSTITUTE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY.

It is to inform that the authorised share capital of the Company as per Capital Clause V of Memorandum of Association (MOA) of the Company stands as detailed below:

S. No.	No. of shares	Particulars	Share Capital (In Rs.)
a)	5,500	Redeemable 'A' Cumulative Preference Shares of Rs. 100/- each	5,50,000
b)	23,500	Redeemable 'B' Cumulative Preference Shares of Rs. 100/- each	23,50,000
c)	21,000	Redeemable 'C' Cumulative Preference Shares of Rs. 100/- each	21,00,000
d)	2,50,000	Preference Shares of Rs. 100/- each	2,50,00,000
e)	1,85,00,000	Equity Shares of Rs. 10/- each	18,50,00,000
		Total	21,50,00,000

As the company is currently not having any preference shares and to have an open option for further issue of equity shares or conversion of loan into equity on later days, the board recommended for amendment of capital clause as mentioned above to Rs.21,50,00,000/- (Rupees Twenty One Crores and Fifty Lakhs only) divided into 2,15,00,000 (Two Crores and Fifteen Lakhs) equity shares of Rs.10/- (Rupees Ten only) each.

The board deems this to be desirable and beneficial to the Company and hence it recommends the said resolution No. 3 for approval by the members of the Company by an ordinary resolution.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested in the said resolution.

ITEM NO. 4: TO ALTER AND ADOPT MEMORANDUM OF ASSOCIATION AS PER COMPANIES ACT, 2013.

It is to inform that the existing Memorandum of Association (MOA) of the Company was prepared under the Indian Companies Act, 1913 and amendments were made after obtaining necessary approvals as and when required by the erstwhile management. In order to have uniformity with the current Companies Act, 2013, it is proposed to amend the Memorandum of Association of the Company as per Schedule-I Table-A under section 4 of Companies Act, 2013.

The board in its meeting held on 04th September, 2023 recommended for approval of members for adoption of revised Memorandum of Association, by renaming Clause III(A) & Clause IV, replacing objects no. 18 (a) to 18(aa) with new set of objects under Clause III(B) 1 to 37 for furtherance of main objects of the Company under Clause III(A) and insertion of clause serial no.VI, and hence the resolution No. 4 is recommended for approval of the members by special resolution.

None of the Directors and the Key Managerial Personnel of the Company is concerned or interested in the said resolution.

ITEM NO. 5: TO ALTER AND ADOPT ARTICLES OF ASSOCIATION AS PER COMPANIES ACT, 2013.

It is to inform that the existing Articles of Association (AOA) of the Company was prepared under the Indian Companies Act, 1913, later repealed and adopted new set of Articles in-line with Companies Act, 1956 vide resolution dated 27th April, 1957 and further amendments were made after obtaining necessary approvals as and when required by the erstwhile management. In order to have uniformity with the current Companies Act, 2013, it is proposed to amend the Articles of Association of the Company as per Schedule-I Table-F under section 5 of Companies Act, 2013.

The board in its meeting held on 04th September, 2023 recommended that the regulations contained in the new articles of association of the Company to be adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company, and hence the resolution No. 5 is recommended for approval of the members by special resolution.

None of the Directors and the Key Managerial Personnel of the Company is concerned or interested in the said resolution.

ITEM NO. 6: TO APPROVE RELATED PARTY TRANSACTIONS.

The Company is engaged in the business of cement production. R V consulting Services Private Limited., Promoter of the Company having significant experience in setting up Cements Plants with good technical standing and providing consultancy for such plants in improving its efficiency along with other services, which are required by the Company. Pursuant to section 188 of the Companies Act, 2013 read with rule 15(3) of Companies Meetings of Board and its Powers) Rules, 2014, if the value of any contract or arrangement with respect to clauses (a) to (g) of Sub-Section (1) of Section 188, exceed the limits specified therein, prior approval of the company by an ordinary resolution is required.

Accordingly, considering the present business scenario of the Company, the Audit Committee and the Board of Directors in their respective meeting held on 04th September, 2023 recommended to place the related party transaction(s) details as mentioned below before the members and seek their approval by way of a Special Resolution under Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 to enable the Company to enter into the subject related party transactions.

S. No.	Description	Details	
(a)	Name of the related party	R V Consulting Services Private Limited	Sagar Cements Limited
(b)	Name of the Director or Key Managerial Personnel who is related, if any.	Nil	Nil
(c)	Nature of relationship	Promoter	Promoter Group
(d)	Nature, material terms, monetary value and particulars of the contract or arrangements.	Improvement of cement plant facility, Colony repairs and to avail their support services in ordinary course of business at arms' length price.	Purchase/ sale of Clinker or Cement in ordinary course of business at arm's length price on continuous basis. .
(e)	Any other information relevant or important for the members to take decision on the proposed resolution.	Nil	Nil

The proposal mentioned above is in the interest of the Company and the Board recommends the resolution set out in the Item no. 6 of the accompanying notice as a Special Resolution.

None of the Directors or Key Managerial Personal of the Company is concerned or interested in the said resolution.

By Order of the Board of Directors

For PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED

Date: 04th September, 2023
Place: Hyderabad

Sd/-
SAI PRASHANTH GUJJA
COMPANY SECRETARY

ADDITIONAL INFORMATION

[Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015]
 (Details of Mr. Narayanasamy Elamaran, Non-Executive Director of the Company,
 liable to retire by rotation seeking re-appointment at the Annual General Meeting)

S. No.	Particulars	Details
1.	Name of the Director	Mr. Narayanasamy Elamaran
2.	DIN	01744259
3.	Date of birth	13/07/1970
4.	Qualification	Graduate
5.	Brief Resume	A mechanical engineering graduate with expertise in construction industry over 2 decades.
6.	Experience in specific functional areas	Automobile gear solutions and construction industry
7.	Skills and capabilities of Independent Directors	NA
8.	Nature and terms & conditions of appointment	Re-appointment to the office as Non-Executive Director
9.	Date of first appointment on board	20/12/2022
10.	Directorship in other listed companies	Nil
11.	Membership of Audit/ Shareholders or investors grievance committees of other public companies	Nil
12.	Shareholding in the Company	Nil
13.	Inter-se relationship with other Directors, Managers or other Key Managerial Personnel of the Company	Related to Mrs. Srinisha Jagathrakshakan
14.	Details of remuneration sought to be paid.	Nil
15.	The number of board meetings attended during the year.	2

By Order of the Board of Directors
For PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED

Date: 04th September, 2023
 Place: Hyderabad

Sd/-
SAI PRASHANTH GUJJA
 COMPANY SECRETARY

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting their Sixty Seventh Annual Report on the accounts of the Company for the Financial Year ended March 31, 2023.

SALIENT FEATURES OF THE REPORT

The Hon'ble National Company Law Tribunal, Amaravati Bench, ("NCLT"), vide its order dated 14th May, 2020 admitted the application for the initiation of the Corporate Insolvency Resolution Process ("CIRP") of Corporate Debtor ("The Company") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"). Further, the NCLT vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2023 approved the Resolution Plan for revival of the Company. Thereafter, the Joint Lenders at their meeting held on 06th July, 2021 nominated the members of Implementation and Monitoring Committee (IMC) to oversee implementation of approved resolution plan and look after affairs of the Company. The said IMC has discharged their duties in their last meeting held on 13th January, 2023 and handed-over the affairs of the Company to the new board of directors.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	3,885.76	-
Other Income	24.53	28,381.70
Total Revenue	3,910.29	28,381.70
Less: Interest and Finance charges	5.12	-
Less: Depreciation and Amortisation	443.69	437.68
Less: Other expenses	6,502.81	7,135.40
Profit / (Loss) before Exceptional Items and Tax	(3,041.34)	20,808.62
Exceptional Items	(2,944.01)	(849.45)
Profit / (Loss) before tax	(5,985.35)	19,959.17
Less: Provision for Income Tax (Earlier years)	-	(315.57)
Net Profit/Loss after tax	(5,985.35)	20,274.74
Net gains / (Loss) on FVTOCI equity securities	1.86	1.28
Total Comprehensive Income for the period (TCI)	(5,983.49)	20,276.02

OPERATIONS:

The Total Income for the year ended March 31, 2023 was Rs. 3,910.29 Lakhs as compared to Rs. 28,381.70 Lakhs during the previous year. Loss before tax was Rs. 5,985.35 Lakhs as compared to Profit of Rs. 20,808.62 Lakhs during the previous year. Loss after tax was Rs.5,985.35 Lakhs as compared to profit of Rs. 20,276.02 Lakhs.

The company has begun its grinding operations from 08th May, 2022, restarted the cement plant and started clinker production from 02nd March, 2023.

STATE OF COMPANY AFFAIRS:

During the year under review, the Company has commenced its cement production by procuring the key raw material- 'clinker' from the secondary market and the produced cement bags have been distributed into the market through marketing dealers and diligently captured the south Indian cement industry market share. Parallely, the assignment of revamping the existing cement plant from aggregate to detail level has been outsourced and the final modernized Cement Plant was handed-over to the new management in the month of February, 2023. In the same month, the cement plant has been officially re-opened and ever since then, the clinker production has begun in-house, which has reduced the company expenditure and this is going to have an effective positive impact on profitability of the Company.

DIVIDEND:

Your Directors regret their inability to recommend any dividend on Equity Shares in view of the carry forward losses.

FIXED DEPOSITS:

The Company has not accepted any Deposit during the year and there are no deposits unpaid or unclaimed as on 31st March, 2023.

INSURANCE:

The assets of the Company are adequately insured.

INDUSTRIAL RELATIONS:

Company's Industrial Relations continue to be harmonious and cordial.

EMPLOYEES:

Your Directors wish to place on record their sincere appreciation of the whole-hearted co-operation extended and the valuable contribution made by the employees at all levels during the year ended 31st March, 2023.

AUDITORS:

M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No: 003109S) were initially appointed by the members at their 61st Annual General Meeting (AGM) held on 26th September, 2017 to hold the office of Statutory Auditors of the Company till conclusion of 66th Annual General Meeting. Further, the members of the Company at their 66th AGM approved the re-appointment of Statutory Auditors of the Company to hold office till conclusion of 71st Annual General Meeting which is going to be held in 2026-27 on such remuneration as may be decided by the Board of Directors in consultation with the auditors. The Board places on record its sincere appreciation of the services rendered by the Statutory Auditors.

AUDITOR'S REPORT AND EXPLANATION IN RESPONSE TO AUDITORS QUALIFICATIONS, IF ANY:

M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad, Statutory Auditors of the Company have provided a report on financials of the Company for the year ended 31st March, 2023 with a qualified opinion as follows:

"The Company has not adopted and complied with the requirements of Ind AS-19 'Employee Benefits' in respect of the Gratuity liability which constitute a departure from the Accounting standards mentioned in the Companies (Indian Accounting Standards) Rules 2015 referred in section 133 of the Act. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the loss for the year, income tax and shareholder's funds."

The board hereby explain that the company went through Corporate Insolvency Resolution Process (CIRP) and operations have begun during the year and production was upheld only in the last month of the financial year ended 31st March, 2023 .

The current management of the company is looking forward to appoint an actuarial to carry out necessary workings and an appropriate provision will be created in the coming quarters.

COST AUDIT:

Cost Audit will not be applicable from the financial year 2022-23, since the turnover of the company during the last financial year is below the statutory threshold as prescribed under the respective provisions of the Companies Act, 2013 and Cost Audit rules made there under. However, the company has triggered the threshold to include cost records in its books of accounts and the same will be maintained for the financial year 2023-24.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors in their meeting held on 13th February, 2023 appointed M/s. B S S & Associates, Hyderabad, Practising Company Secretaries to conduct Secretarial Audit of records of the Company for the financial year ended 31st March, 2023. The Secretarial Audit Report for the financial year ended March 31st 2023, is annexed to this Report as **Annexure I**. The qualification/remarks made in the Secretarial Audit Report are self-explanatory.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out in the **Annexure II** and forms part of the report.

DIRECTORS:

The Implementation and Monitoring Committee (IMC) suspended itself and handed-over to look after company affairs to the new Board of Directors in their meeting held on 13th January, 2023.

Mr. Jayarama Reddy Pedireddygar (DIN: 07053207)

He has resigned from the position of Director of the Company with effect from 10th June, 2022.

Mr. Ramakrishna Prasad Sunkara (DIN: 02451497)

He has resigned from the position of Director of the Company with effect from 10th June, 2022.

Mr. Palani Thangavel (DIN: 09448684)

IMC in their meeting held on 03rd September, 2022 recommended his appointment for approval of members and the Company members in their 66th AGM held on 30th September, 2022 approved his appointment as Director of the Company with effect from 17th January, 2022.

He has resigned from the position of Director of the Company with effect from 20th December, 2022.

Mr. Aravindan Palani (DIN: 09448703)

IMC in their meeting held on 03rd September, 2022 recommended his appointment for approval of members and the Company members in their 66th AGM held on 30th September, 2022 approved his appointment as Director of the Company with effect from 17th January, 2022.

He has resigned from the position of Director of the Company with effect from 20th December, 2022.

Ms. Sakthi Sri Devi (DIN: 09448683)

IMC in their meeting held on 03rd September, 2022 recommended her appointment for approval of members and the Company members in their 66th AGM held on 30th September, 2022 approved her appointment as Director of the Company with effect from 17th January, 2022.

She has resigned from the position of Director of the Company with effect from 20th December, 2022.

Mr. Sreedhar Reddy Sajjala (DIN: 01440442)

He has retired from the position of Director of the Company with effect from 20th December, 2022.

Mr. Panduranga Rao Surathu (DIN: 07339056)

He has retired from the position of Director of the Company with effect from 20th December, 2022.

Mrs. Srinisha Jagathrakshakan (DIN: 01728749)

She was appointed as an Additional Directors of the Company by the IMC at their meeting held on 25th April, 2022 with immediate effect.

Members at their 66th AGM held on 30th September, 2022 approved to appoint her as Director of the Company with effect from 25th April, 2022.

IMC at its meeting held on 20th December, 2022 approved the change of her designation from Director to Managing Director.

Members at their Extra-ordinary General Meeting (EGM) held on 17th March, 2023 approved her appointment as Managing Director of the Company with effect from 20th December, 2022 to hold office for a period of five years.

Mr. Narayanasamy Elamaran (DIN: 01744259)

He was appointed by the IMC at their meeting held on 20th December, 2022 as an Additional (Non-Executive) Director of the Company.

Members at their EGM held on 17th March, 2023 approved to appoint him as a Non-Executive Director of the Company.

Mr. Vasudevan Raghavan (DIN: 02745060)

He was appointed by the IMC at their meeting held on 20th December, 2022 as an Additional (Independent) Director of the Company with immediate effect.

Members at their EGM held on 17th March, 2023 approved to appoint him as an Independent Director of the Company to hold office for a period of five years.

Mr. Balachandran Ramachandran (DIN: 01648200)

He was appointed by the IMC at their meeting held on 20th December, 2022 as an Additional (Independent) Director of the Company with immediate effect.

Members at their EGM held on 17th March, 2023 approved to appoint him as an Independent Director of the Company to hold office for a period of five years.

Mr. Asuri Ramesh Rangan Sholinghur (DIN: 07586413)

He was appointed by the IMC at their meeting held on 13th January, 2023 as an Additional (Independent) Director of the Company with immediate effect.

Members at their EGM held on 17th March, 2023 approved to appoint him as an Independent Director of the Company to hold office for a period of five years.

BOARD EVALUATION:

The Board and Nomination & Remuneration Committee have been constituted on 13th January, 2023 i.e., in last quarter of the financial year 2022-23 by the IMC, and there was no performance to be evaluated during the year under review.

BOARD MEETINGS AND COMMITTEE MEETINGS

During the year under review, Implementation & Monitoring Committee (IMC) had overseen affairs of the Company and made decisions in best interest of the Company at their 7 meetings held on 25th April, 2022; 10th June, 2022; 02nd September, 2022; 07th October, 2022; 07th November, 2022; 20th December, 2022 and 13th January, 2023.

The board was constituted and affairs were completely handed-over to the new board of directors by the IMC at their last meeting held on 13th January, 2023.

Thereafter, two board meetings were conducted on 03rd February, 2023 and 13th February, 2023 and intervening gap between the meetings was within the period prescribed under Companies Act, 2013 and SEBI Regulations as applicable to the Company.

Audit Committee and Nomination & Remuneration Committee meetings were held on 13th February, 2023. The details are also provided in Corporate Governance Report.

DETAILS OF WHOLE-TIME KEY MANAGERIAL PERSONNEL (KMP)

During the period under review, Mrs. Srinisha Jagathrakshakan (DIN-01728749) was appointed as Managing Director of the Company to hold office for a period of five years with effect from 20th December, 2022.

Ms. Diya Venkatesan resigned from the position of Company Secretary & Chief Financial Officer of the Company with effect from 05th January, 2023.

Mr. Sai Prashanth Gujja was appointed as Company Secretary of the Company with effect from 13th January, 2023.

DECLARATION ON INDEPENDENCE OF DIRECTORS:-

During the year under review, 3 new Independent Directors were appointed and in the opinion of the board, they possess the requisite the integrity, expertise and experience (including proficiency) as required by the position held by them in the Company. The Board has received declaration of independence from Directors of the Company and the same were taken on record by the board of directors at their first meeting held on 27th May, 2023 and accordingly, we hereby declare that Independent Directors of the Company are complaint with provisions of section 149(6) of Companies Act, 2013 read with relevant rules in force.

DEPOSITS

The Company has not accepted any deposits and no deposit remained unpaid or unclaimed as on year ended 31st March, 2023.

LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not advanced any loan, provided any guarantee or made any investment as per section 186 of Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business at arm's length basis.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. Please refer to Form No. AOC-2 in **Annexure-III** for the details of related party contracts or arrangements.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company is not having any Subsidiaries and Joint Ventures as on financial year ended 31st March, 2023.

VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of SEBI Regulations, includes Vigilance or Ethics Office, who may be a senior executive of the Company and the protected disclosures may be made by a whistle blower through an e-mail or a letter to the Vigilance or Ethics Officer or to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the company's web site at the link <http://www.panyamcements.in>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As the Company's net worth is less than Rupees Five Hundred Crores, Turnover less than Rupees One Thousand Crores and Net-profit calculated as per section 198 of Companies Act, 2013 is less than Rupees Five Crores, the provisions of section 135 of Companies Act, 2013 are not applicable to the Company.

CORPORATE GOVERNANCE:

Your Directors reaffirm their continued commitment to good corporate governance practices. A separate report on Corporate Governance is incorporated as **Annexure IV** as a part of the Directors' Report. Further as a part of the report, "Management Discussion and Analysis" has also been furnished.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013: -

- i. That in the preparation of the annual Accounts, the applicable accounting standards had been followed, with proper explanation, and that there were no materials departures.
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for the year.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities.
- iv. That the annual financial statements have been on a going concern basis.
- v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has no such cases of sexual harassment at workplace. During the year under review, the Sexual Harassment Committee/Internal Complaints Committee has been constituted and the details of composition have been provided in the Corporate Governance Report.

LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforce ability. The said regulations were effective December 01, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 months from the effective date.

The Equity shares of the Company are listed on the BSE Limited and consequently, the trading of shares on BSE was suspended. However, the Company has made an application for revocation of suspension imposed on 30th January, 2023 received in-principle approval on 07th July, 2023 and post-revocation compliance is completed from the Company and the Exchange approval for resumption of trading of company shares is expected in coming days.

RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013, a risk management policy has been devised to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the Company's business.

All the Senior Executives under the guidance of the Chairman and Board of Directors has the responsibility for over viewing management's processes and results in identifying, assessing and monitoring risk associated with Organization's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal controls, Management and Assurance frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES.

Pursuant to section 178(3) of Companies Act, 2013, a policy for determining qualifications, positive attributes and independence of directors including the remuneration to such Directors, Key Managerial Personnel and other employees has been adopted and same has been placed on website of the Company www.panyamcements.in

The Nomination and Remuneration committee has been constituted by the Implementation and Monitoring Committee at their last meeting held on 13th January, 2023 and the new board of directors in their first meeting re-constituted the committee composition. The committee meeting and composition details are mentioned in the Corporate Governance Report.

RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEE.

The company has not paid any remuneration to Directors of the Company and there was no percentile increase in remuneration of Key Managerial Employees or any employees of the Company during the year under review. The company has 142 permanent employees on rolls of the Company.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

At the beginning of the financial year, the company was in the revival stage and the implementation of Resolution Plan approved by National Company Law Tribunal (NCLT), Amravati Bench vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021 was overseen by the Implementation and Monitoring Committee (IMC) of the Company who appointed new Board of Directors in consultation with the Resolution Applicants and handed-over affairs to the new Board of Directors in their last meeting held on 13th January, 2023. Thereafter, the new management is hammering into the business activities by modifying the existing infrastructure, upscaling the production of clinker and improving the productivity at an aggregate level.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the period under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

ANNUAL RETURN:

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the **Companies (Management and Administration) Rules, 2014**, the Annual Return (Form MGT-7) for the financial year ended March 31, 2023 is available on the Company's website and can be accessed at <https://www.panyamcements.in/panyam%20files/Annual%20Return%202022-23.pdf>.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include demand supply conditions, finished goods prices, cyclical demand and pricing in your Company's principal markets, change in Government

regulations, tax regimes, economic developments within India or any other country in which your company conducts business and other factors such as litigation and labour negotiations. Your company is not obliged to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

ACKNOWLEDGMENTS:

The Management of the Company would like to express their sincere appreciation for the cooperation and assistance received from shareholders, bankers, financial institutions, regulatory bodies and other business constituents during the year under review. The Management of the Company also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff of the Company during the financial year.

By Order of the Board of Directors
For **Panyam Cements & Mineral Industries Ltd**

Place: Chennai
Date: 04th September, 2023

Sd/-
Jagathrakshakan Srinisha
Managing Director
(DIN: 01728749)

Sd/-
Narayanasamy Elamaran
Director
(DIN: 01744259)

MANAGEMENT DISCUSSION AND ANALYSIS:

Industry structure and development:

The cement production in India is projected to reach 400 MT by FY25. The country has top quality lime deposits, which would benefit the growth. Aided by suitable Government foreign policies, several foreign players such as Lafarge-Holcim, Heidelberg Cement, and Vicat have invested in the country in the recent past. A significant factor which aids the growth of this sector is the ready availability of raw materials for making cement, such as limestone and coal. The cement industry has continued its growth rate over the decade and the demand growth has overtaken the economic growth rate in the past three years. The cement demand grows roughly 1.5 times the GDP growth rate and the turnover has been around over 9 billion dollars in the previous year. With the increase in infrastructure development such as highways, the global demand has led to the increase of production capacity. Thus, if the global and domestic demand continues to grow the contribution of cement industry toward the economy will surely increase and turn out to be extremely profitable.

The Cement Division is incurring losses due to its inability to operate continuously at optimum levels on account of inadequate working capital and high cost of production which is mainly due to high power consumption and coal when compared to industry norms of similar capacity. Now the management has taken various steps to optimize the production levels and took necessary measures to reduce the cost of production by modernizing the cement plant during the year under review.

Opportunity and threats:

Our cement plant being strategically located with high quality limestone mines proximate to the plant, can cater to the neighboring States – Karnataka, Telangana, Tamil Nadu, Goa and Kerala where the realizations are better.

Fluctuating commodity prices, particularly for key inputs like energy and raw materials; Changes in government regulations and policies, particularly related to environmental concerns and safety standards; and Negative perceptions of the previous operation of the plant may impact public relations and branding efforts are possible threats of the Company.

The management is putting its best efforts to refine the industry to peak levels.

Performance:

During the year under review, the company has purchased clinker and performed grinding operations- cement production and dispatch of same under the company brand into the market and sold 87,500 tonnes of cement. Post end of financial year and before presentation of this report, the clinker production has begun in-house and cement grinding operations are steadily operated at 80% capacity as on date.

Outlook:

The initiatives by the Central Government such as housing for all, smart cities, Swachh Bharat campaign, infrastructure spending, concrete road initiatives, flyovers erections and an increase in allocation of funds to States are likely to see a positive impact on the Cement Industry.

Infrastructure development is the need of the nation; this along with rising housing provision will accelerate construction activity. Recovery of the global scenario could also provide impetus to economic growth and cement. The State has seen new players and also the existing players expanding capacities due to huge availability of limestone, which is the primary material for cement.

Risks and concerns

The company is operating in a rapidly changing environment and the Company must identify such risks and measure impact of such changes on business operations. Concerns of the Indian Cement Industry are high cost of power and coal, high freight costs, inadequate infrastructure, non-availability of wagons and poor quality of coal and heavy taxes/royalty levies. The Operations of Cement companies in Telangana and Andhra Pradesh suffer due to availability of Coal, Fuel, lower realizations and lower demand in the state.

Segment-Wise Performance Together with Discussion on Financial Performance With Respect To Operational Performance:

Segment-wise (only one segment) performance together with discussion on financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

Internal control systems and their adequacy:

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition.

The internal control systems of the company comprise of statutory audit, cost audit and internal audit. The work of all the audits have been assigned to reputed, external, independent and qualified people.

The Audit Committee comprising of independent directors will review all quarterly, half yearly and annual financial statements.

Human resources and industrial relations:

The industrial relations at all the plant and offices continue to be cordial during the year under review. The total number of employees of the Company as at the end of the financial year 2022- 23 is 470 at Cement Division and Central Administrative Office.

Details of significant changes:

S. No.	Particulars	2021-22 (%)	2022-23 (%)
(i)	Debtors Turnover	56.58	-
(ii)	Inventory Turnover	6.25	-
(iii)	Interest Coverage Ratio	-	-
(iv)	Current Ratio	0.15	0.07
(v)	Debt Equity Ratio	(2.02)	(2.26)
(vi)	Operating Profit Margin	(0.78)	-
(vii)	Net Profit Margin	(0.78)	-

The Company cement plant has stopped its business operations since December 2018 to May 2022. The company operations have begun and production was upheld during the year and accordingly, the above ratio have differed.

Change in Return on Net worth as compared to immediately previous financial year:

The Return on Network (RoNw) for the financial year ended 31 st March, 2023 is Rs. (7.46) as compared to Rs.497.65 during the previous financial year ended 31 st March, 2022. The previous year RoNw is more than current year RoNw as the company has written off assets and credit balances in the previous year and made incurred huge capital expenditure during the year under review in revamping the cement plant and improving its efficiency. This is going to have a positive impact on company operations in coming years.

Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government policies and regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speaks only as of their dates.

By Order of the Board of Directors
For **Panyam Cements & Mineral Industries Ltd**

Place: Chennai
Date: 04th September, 2023

Sd/-
Jagathrakshakan Srinisha
Managing Director
(DIN: 01728749)

Sd/-
Narayanasamy Elamaran
Director
(DIN: 01744259)

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on March 31, 2023

[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,
Panyam Cements and Mineral Industries Limited
10/156, Betamcherla Road, Betamcherla,
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Panyam Cements and Mineral Industries Limited** [CIN:L26940AP1955PLC000546] (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.

It is further stated that Panyam Cements and Mineral Industries Limited was under Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Amravati Bench with effect from 14th May, 2020. The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by RV Consulting Services Private Limited and Sagar Power Limited as joint bidders vide Order dated June 25, 2021, read with revised order dated July 10, 2021.

Upon approval of the plan by the Hon'ble NCLT, The Implementation and Monitoring Committee (IMC) has been constituted for the purpose of implementing the approved Resolution Plan and they have successfully completed the implementation of Resolution Plan, appointed the new board of directors in consultation with the Resolution Applicants, discharged their duties and handed-over the company affairs to the new board of directors in their meeting held on January 13, 2023. The new Board took the control over the company's operations with effect from 13.01.2023.

In view of this, our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the Secretarial audit period covering the financial year ended on March 31, 2023 are restricted for the period April 1, 2022 to January 13, 2023 under review, we hereby report that in our opinion, the Company has 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 available documents and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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;
- 5) 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;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Financial Year under review)
 - e. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008; (Not applicable to the Company during the Financial Year under review)
 - f. 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; (Not applicable to the Company during the Financial Year under review)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Financial Year under review)
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (Not applicable to the Company during the Financial Year under review) and
- 6) Management has identified and confirmed the following laws as being specifically applicable to the company:
 - i. Cement Cess Rules, 1993;
 - ii. Cement (Quality Control) Order, 1995;
 - iii. Environmental (Protection) Act, 1986 Read with Environmental Protection Rules, 1986;
 - iv. The Hazardous Wastes (Managements Handling and Transboundry Movement) Rules, 2008;
 - v. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;
 - vi. Water (Prevention & Control of Pollution) Cess Act, 1977;
 - vii. The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
 - viii. The Noise Pollution (Regulation And Control) Rules, 2000;

- ix. Mines Act, 1952 and Rules issued thereunder;
- x. Mines and Mineral (Regulation and Development) Act, 1957;
- xi. The Electricity Act, 2003;
- xii. Explosives Act, 1884; and
- xiii. Indian Boilers Act, 1923.

We have also examined compliance with the applicable Clauses/ Regulations of the following.

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except in respect of matters specified below.

It may be noted that as per the provisions of IBC Code and provisions of Regulation 15 (2A) and (2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI (LODR)) as amended from time to time, the provisions specified in regulation 17, 18, 19, 20, 21 shall not be applicable during the CIRP. The conditions as specified in said regulations of the SEBI (LODR) shall not be useful during the CIRP and the roles and responsibilities of the Board of Directors and the Committees, specified in the respective regulations, shall be fulfilled by the Resolution Professional.

- i. We observed the following non-compliances during the period under review:

Sl. No.	Relevant Provision for Compliance Requirement	Regulation / Circular No.	Observation
1	The listed entity shall submit to stock exchange a copy of the annual report sent to the shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders.	Regulation 34 (1) (a) of SEBI (LODR) Regulations, 2015	The company has submitted the Annual Report to the Stock Exchange on 17.09.2022 with delay of 9 days.
2	The listed entity is required to intimate the trading window closure to Stock Exchange	Schedule B (4)(2) of SEBI (PIT) Regulations, 2015	The company has not intimated the trading window closure to the stock exchange
3	The listed entity shall submit to the stock exchanges disclosures of related party transactions for every six months within fifteen days from the date of publication of its standalone and consolidated financial results.	Regulation 23(9) of SEBI (LODR) regulations, 2015	The company has not submitted the related party transactions report to stock exchange.

4	The listed entity shall submit annual audited standalone financial results for the financial year, within sixty days from the end of the financial year along with the audit report.	Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015	The company has submitted the annual audited standalone financial results for the financial year March 31, 2022 on 17.02.2023 with delay of 263 days.
5	The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.	Regulation 33(3)(a) of SEBI (LODR) Regulations, 2015	The company has submitted the financial results for the quarter ended 30.06.2022 on 07.10.2022 with delay of 54 days
6	The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within thirty days from the end of the financial year.	Regulation 7(3) of SEBI (LODR) Regulations, 2015	The company submitted the compliance certificate for the financial year ended 31.03.2023 on 16.09.2022 with delay of 139 days
7	The listed entity shall produce a certificate from a practicing company secretary within thirty days from the end of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.	Regulation 40 (9) of SEBI (LODR) Regulations, 2015	The company has not submitted the certificate for financial year ended 31.03.2022. However, the company submitted two half yearly certificates on 15.09.2022 with delay of 138 days.
8	The listed entity shall publish the financial results in the newspapers within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved.	Regulation 47 of SEBI (LODR) Regulations, 2015	The Company has not published financial results for the half year ended 30.09.2022
9	The company shall cause a public notice by way of an advertisement to be published, immediately on completion of despatch of notices for the meeting under clause (i) of sub-rule (4) but at least twenty-one days before the date of general meeting.	Rule 20 (4) (v) Companies (Management & Administration) Rules, 2014	The company has published evoting details for AGM held on 30.09.2022 with delay of 2 days.
10	Every listed entity shall submit a secretarial compliance report to stock exchanges, within sixty days from end of each financial year.	Reg. 24A (2) SEBI (LODR) Regulations, 2015	The company has not submitted the Compliance Certificate as the company is under implementation of Resolution Plan

11	The promoter of every target company shall declare on a yearly basis that he, along with persons acting in concert, has not made any encumbrance, directly or indirectly, other than those already disclosed during the financial year to (a) every stock exchange where the shares of the target company are listed; and (b) the audit committee of the target company.	Regulation 31(4) of SEBI (SAST)	The Promoters of the company did not made declarations as required for the financial year ended March 31, 2022.
12	Submission of Annual and initial disclosure relating to Fund raising by issuance of Debt Securities by Large Corporates	SEBI circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018	The company has submitted on 13.09.2022 with delay of 135 days
13	The disclosures required under sub-regulation (1) and (2) of SEBI (SAST) Reg, 2011 shall be made within two working days of the receipt of intimation of allotment of shares or the acquisition [or the disposal] of shares or voting rights in the target company	Regulation 29 (3) of SEBI (SAST) Regulations, 2011	The company has received disclosures from promoters under regulation 29 (1) of SEBI (SAST) Regulations, 2011. But the company submitted the same to stock exchange on 30.05.2023.
14	The disclosures required under sub-regulation (1) (b) of SEBI (PIT) Regulations, 2015 shall be made in such form and such manner.	SEBI (PIT) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2)]	The company has not disclosed to stock exchange
15	Company is required to file Resolutions for Draft financial statements and draft Director's Report for the FY 2021-22	Section 179 (3) of the Companies Act, 2013.	The company has not filed eform MGT 14 for approval of Financial Statements and Board's Report for the financial year 2021-2022.
16	Approval of shareholders for appointment of Jagathrakshakan Srinisha [appointed on 25.04.2022] is not taken at the next general meeting or within a time period of three months from the date of appointment	Regulation 17 (1C) of SEBI (LODR) Regulations, 2015	The company has not taken the approval of shareholders for appointment of Jagathrakshakan Srinisha [appointed on 25.04.2022] within a time period of three months from the date of appointment. However, the company has taken approval at the AGM held on 30.09.2022.

For the CIRP period, it is difficult to comment whether compliances are made as per SEBI Regulations as company was managed under the hands of Implementation Management Committee to complete the implementation of the approved Resolution Plan.

We further report that The Board of Directors of the Company is duly reconstituted on **13.01.2023 after the implementation of the Resolution Plan** with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Further after the Reconstituted Board of Directors have been in office since 13th January, 2023, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions to manage the affairs of the Company are carried out by Monitoring Agent till reconstitution of the Board dt. 13.01.2023 and thereafter by the newly constituted Board of Directors of the Company from 13.01.2023 to March 31, 2023. As informed, there were no dissenting views and hence not recorded as part of the minutes. These functions are performed by the Implementation and Monitoring Committee to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which have been conferred upon him in terms of provisions of Section 17 of the Code.

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 the compliance of applicable Labour laws and financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the other designated professionals.

We further report that, during the audit period the following events have occurred during the year which has a major bearing on the Company's affairs:

- 1 The Board and committees have been reconstituted on 13.01.2023
- 2 The company has allotted 76,20,330 equity shares on 03.02.2023 as per resolution Plan approved by the Hon'ble NCLT, Amravati Bench, vide its order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021 under Insolvency & Bankruptcy Code, 2016.
- 3 The company has reclassified its promoters pursuant to the approval of the Resolution Plan under Section 31 of the Insolvency and Bankruptcy Code, 2016.

For **B S S & Associates**
Company Secretaries

S.Srikanth

Partner

ACS:22119; CoP:7999

UDIN: A022119E000796741

Peer Review No.726/2020

Place: Hyderabad

Date: 14.08.2023

This Report is to be read with our letter of even date which is annexed as Annexure A forming integral part of this report.

Annexure- A

To,

The Members,
Panyam Cements And Mineral Industries Limited,
10/156, Betamcherla Road, Betamcherla,
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about 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 procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **B S S & Associates**
Company Secretaries

S.Srikanth
Partner

ACS:22119; CoP:7999
UDIN: A022119E000796741
Peer Review No.726/2020

Place: Hyderabad
Date: 14.08.2023

ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2023:

A. Conservation of Energy:

(a) Energy conservation measures taken:

Replaced Halogen and Day lights with low watt LED Lights throughout the plant and its surroundings.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The cement plant was revamped and modernized during the year and this will reduce energy consumption.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production:

New Kiln and cooler were installed and there will be significant power saving as compared to previous financial years.

(d) Total energy consumption per unit of production:

Particulars given in Form "A" annexed.

B. Technology Absorption:

Particulars given in Form "B" annexed.

C. Foreign Exchange Earnings and Out go:

(a) No export/import or dealing in foreign currency was made by the Company during the year under review.

(b) Total Foreign Exchange used: Nil

(c) Total Foreign Exchange earned Nil

FORM 'A'

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY**

S. No.	Particulars	Unit	Cement Division	
			31-03-2023	31-03-2022
A	Power and fuel consumption:			
1	Electricity			
a)	Purchased Units Total amount Average rate	KWH	66,06,200 Rs. 356.73 Lakhs Rs.5.4/KW	- - -
b)	Own generation Units Units per litre of diesel Cost per unit	Nil - -	- - -	- - -
2	Cost(mineral coal c-e/Imported grade)			
	Quantity Total cost Average rate	Tonnes Rs. per MT	1,167.50 Rs.173.35 Lakhs 14,848	- - -
3	Furnace oil			
	Quantity Total cost Average rate	Nil - -	- - -	- - -
B	Consumption per unit of production			
	Electricity Coal of cement	KWH/tonnes of cement Kgs/tonnes	74.31 13.35	- -

FORM 'B'

A. RESEARCH AND DEVELOPMENT (R &D)

Nil.

B. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION:

Installation of new Kiln and Cooler, modernization of existing capital equipment.

FORM No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**
2. **Details of contracts or arrangements or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Sagar Cements Limited and promoter group company	Purchase of Clinker	On continuous basis	-	13.02.2023	-
RV Consulting Services Private Limited and Promoter	Turnkey project	On continuous basis	To refurbish and improve cement plant facility, colony repairs and other services	13.02.2023	17,90,10,000

By Order of the Board of Directors
For **Panyam Cements & Mineral Industries Ltd**

Sd/-
Jagathrakshakan Srinisha
Managing Director
(DIN: 01728749)

Sd/-
Narayanasamy Elamaran
Director
(DIN: 01744259)

Place: Chennai
Date: 04th September, 2023

CORPORATE GOVERNANCE REPORT**1. Background:**

The Company was admitted to Corporate Insolvency Resolution Process (“CIRP”) vide order of the Hon’ble National Company Law Tribunal (“NCLT”), Amravati Bench, dated May 14th, 2020 (“Insolvency Commencement Date”) under the provisions of the Insolvency and Bankruptcy Code, 2016 (“Code”) and appointed Mr. Bhrugesh Amin (IBBI Registration no. IBBI/IPA-002/IP-N00353/2017-18/11003) as the Interim Resolution Professional (“IRP”) for the Company, Further, appointment as the Resolution Professional (“RP”) was subsequently approved by the committee of creditors on 26th June, 2020.

The NCLT Amravati Bench vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021 approved the resolution plan submitted by M/s. R V Consulting Services Private Limited and M/s. Sagar Power Limited (jointly) for revival of the Company.

The Joint Lenders at their meeting held on 06th July, 2021 nominated members to Implementation and Monitoring Committee (IMC) who have overseen implementation of the approval resolution plan and affairs of the Company.

The IMC have appointed new board of directors in consultation with Resolution Applicants and handed-over affairs of the company to the new board at their last IMC Meeting held on 13th January, 2023.

2. Company’s Philosophy on Code of Governance:

The Company believes in adopting and adhering to the best corporate practice and continuously evaluate it against each of such practices. The Company understands and respects its fiduciary role and responsibility to all stakeholders and strives hard to meet their expectations. The Company believes that the Corporate Governance is an important tool for shareholders protection and maximizing their long-term values. Panyam Cements & Mineral Industries Limited functions keeping in tune with this philosophy.

The fundamental objective of company’s Corporate Governance is to adopt a methodology, which enhances effectiveness, better utilization of resources, transparency and harmonious relations between various interest groups. The company has been regular in sending its quarterly compliance report on Corporate Governance to Stock Exchange.

3. Governance Structure:

During the year under review, the Implementation and Monitoring Committee (IMC) has governed affairs of the Company upto 13th January, 2023 and had 7 meetings on 25.04.2022, 10.06.2022, 02.09.2022, 07.10.2022, 20.12.2022 & 13.01.2023.

The meetings and attendance details are mentioned below:

S. No.	Name of IMC Member	No. of meetings	
		Held	Attended
1.	Mr. Akella Peri Srinivas	7	7
2.	Mr. Sreekanth Reddy Sammidi	7	7
3.	Mr. Bhrugeth Amin	7	7
4.	Mr. Prasad Kolluru	7	7

As on financial year ended 31st March, 2023, the Board consists of 5 Members of whom 3 are Non-Executive Independent Directors and 1 is Promoter Non-Executive Director and 1 is Promoter Executive Director. The composition of Board is in conformity with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The details of Composition of Board of Directors, their attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/ memberships held by the Directors during the year are as follows:

S. No.	Name of the Director	Category particulars	Attendance			No. of Directorship and Committee membership/ chairmanship in other Companies		
			No. of Board Meetings held during the tenure		Last AGM	*Other Directorship	*Other Committee membership	***Other Committee chairmanship
			Held	Attended				
1.	Mrs. Srinisha Jagathrakshakan	Managing Director	2	2	Yes	15	1	0
2.	Mr. Narayanasamy Elamaran	Non-Executive Director	2	2	NA	8	0	0
3.	Mr. Balachandran Ramachandran	Independent Director	2	2	NA	2	1	0
4.	Mr. Vasudevan Raghavan	Independent Director	2	2	NA	4	0	0
5.	Mr. Asuri Ramesh Rangan	Independent Director	2	2	NA	4	3	0

*Other Directorship-includes both private and public limited Companies.

**Other Committee Membership-Only in Audit Committee and Stakeholders' Relationship committee.

***Other Committee Chairmanship-Only in Audit Committee and Stakeholders' Relationship committee.

The details of the Directors being re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Regulation 36 (3) of the SEBI (LODR) Regulation, 2015, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

Pursuant to Section 165(1) and Regulation 26 of SEBI (LODR) Regulations, 2015, none of the Director is a Director in:

- More than 20 Companies at a time; or
- More than 10 Public Limited Companies at a time; or
- Acts as an Independent Director in more than 7 Listed Companies; or
- None of the Directors acts as a member of more than 10 committees or acts as chairman of more than 5 committees across all Public Limited Companies in which he is a Director;
- Membership and Chairpersonship of the audit committee and the Stakeholders' Relationship committee is considered only for the purpose of determination of limit of committee in pursuance of Regulation 26(1)(b) of the SEBI (LODR) Regulation, 2015.

During the year under review, the Board of Directors have met two times on 03.02.2023 and 13.02.2023 and the maximum gap between the two meetings was not more than the maximum days allowed as per section 173 (1) of the Companies Act, 2013 read with Regulation 17 (2) of the SEBI (LODR) Regulation, 2015 as extended from time to time.

As the independent directors were recently appointed and the board is newly constituted, the company has explained the business structure and cement industry terms to the independent directors at 1st board meeting held on 03rd February, 2023, however, could not conduct a separate familiarization programme during the financial year ended 31st March, 2023.

The board hereby confirm and opine that the independent directors fulfill the conditions mentioned in the SEBI (LODR) Regulations, 2015 and are independent of the management.

Chart setting-out the skills/expertise/competence of the board of directors is as follows:

Skill/ Attribute	Name of the Director				
	Mrs. Srinisha Jagathrakshakan	Mr. Narayanasamy Elamaran	Mr. Balachandran Ramachandran	Mr. Vasudevan Raghavan	Mr. Asuri Ramesh Rangan
Industry Expertise	-	Yes	-	-	Yes
Governance	Yes	Yes	-	-	
Finance/ Accounts	-	-	Yes	Yes	Yes
Legal Expertise	-	-	Yes	Yes	Yes
Regulatory Expertise	-	-	Yes	-	Yes
Risk Management	Yes	Yes	Yes	-	-

Board's Procedure:

Agenda papers along with explanatory statements were circulated to the directors/ IMC Members in advance for each of these meetings. All relevant information as per SEBI (LODR) Regulation, 2015 was placed before the Board/IMC from time to time.

Board Committees:

The IMC at their last meeting held on 13th January, 2023 constituted 5 Committees- Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Sexual Harassment Committee. The Board at their 1st meeting held on 03rd February, 2023 reconstituted 3 committees- Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

a. Audit Committee (AC)

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulation, 2015.

During the year under review, one Audit Committee Meeting was held on 13th February, 2023 and necessary quorum was present at the meeting.

The details of the composition of the Audit Committee and attendance of these members at the meeting are given below:

Name of the member	Designation	Category	Meetings attended
Mr. Balachandran Ramachandran	Chairman	Independent Director	1
Mrs. Srinisha Jagathrakshakan	Member	Managing Director	1
Mr. Asuri Ramesh Rangan	Member	Independent Director	1

b. Nomination & Remuneration Committee (NRC)

The Nomination & Remuneration committee for appointment & remuneration of directors and other KMPs was constituted in accordance with the requirement of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulation, 2015.

During the year, one Audit Committee Meeting was held on 13th February, 2023 and necessary quorum was present at the meeting.

The details of the composition of the Nomination & Remuneration Committee and attendance of these members at the meeting are given below:

Name of the member	Designation	Category	Meetings attended
Mr. Vasudevan Raghavan	Chairman	Independent Director	1
Mr. Narayanasamy Elamaran	Member	Non-Executive Director	1
Mr. Asuri Ramesh Rangan	Member	Independent Director	1

The Company has not paid any remuneration to the Directors or IMC members of the Company excluding sitting fees.

Performance Evaluation of Independent Directors:

The Board and Nomination & Remuneration Committee were constituted just before end of the financial year 2022-23 by the IMC, and there was no performance during the year under review to be evaluated.

c. Stakeholders Relationship Committee (SRC)

The Stakeholders Relationship Committee has been constituted pursuant to section 178 of Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015.

Ms. Diya Venkatesan resigned from the position of Company Secretary, Compliance Officer and Chief Financial Officer of the Company with effect from 05th January, 2023.

Mr. G. Sai Prashanth was appointed as Company Secretary and Compliance Officer of the Company with effect from 13th January, 2023.

As the committee has been constituted just before end of financial year, no SRC meeting was held during the year.

The SRC composition is as follows:

Name of the member	Designation	Category
Mr. Narayanasamy Elamaran	Chairperson	Non-Executive Director
Mr. Asuri Ramesh Rangan	Member	Independent Director
Mrs. Srinisha Jagathrakshakan	Member	Managing Director

The committee has been delegated with the following powers:

- To redress shareholders and investor complaints relating to transfer of shares, dematerialization of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- To approve, transfer, transmission, and issue of duplicate/ fresh share certificate(s).
- Consolidate and sub-division of share certificate etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc. received from any shareholder of the company and investor in general.

The Shareholders are requested to note that in compliance with the modified guidelines for share transfers under corporate governance rules, the routine transfer of physical shares of the Company has been delegated to XL Softech systems Ltd (RTA) and the share transfers has been completing within 30 days from the date of receipt of the valid transfer deeds. The other investor related complaints is reported to the Stakeholder's Relationship Committee. The Company has designated an exclusive e-mail ID: pcmilcao@panyamcements.in for redressal of shareholders' complaints/grievances.

During the year under review, the company has no complaints received, pending or resolved.

d. Corporate Social Responsibility (CSR) Committee

The CSR Committee has been constituted pursuant to section 135 of Companies Act, 2013 read with relevant rules in force.

The committee has no meetings during the year under review.

The composition of CSR Committee is as follows:

Name of the member	Designation	Category
Mr. Vasudevan Raghavan	Chairman	Independent Director
Mr. Balachandran Ramachandran	Member	Independent Director
Mrs. Srinisha Jagathrakshakan	Member	Managing Director

The Company did not undertook any CSR activity during the year.

e. Sexual Harassment Committee/ Internal Complaints Committee

The committee has been constituted pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [POSH] for receiving complaint of sexual harassment.

The committee composition is as follows:

Name of the member	Designation	Category
Mrs. Srinisha Jagathrakshakan	Chairperson	Managing Director
Mr. Balachandran Ramachandran	Member	Independent Director
Mr. Vasudevan Raghavan	Member	Independent Director

Pursuant to POSH, neither the erstwhile IMC nor the mentioned Committee has no complaints received, disposed or pending during the year under review.

f. Independent Directors Meeting:

During the year under review, the Independent Directors met on 13th February, 2023 to introduce themselves to each other and discussed on ways to evaluate performance of each Director under respective category.

4. Remuneration of Directors

The Company has not paid any remuneration to IMC Members and Directors, except sitting fees for attending the respective meetings.

Pecuniary relationship or transaction of the Non - executive Directors vis-à-vis the company: None of the Non- Executive Directors has any pecuniary relationship or transactions with the company except Mrs. Srinisha Jagathrakshakan, Executive Director and promoter shareholder of the Company, being spouse of Mr. Narayanasamy Elamaran, promoter non-executive director of the Company.

5. General Meetings:

a. Annual General Meetings

The last three Annual General Meetings (AGM) were held as under:

Year	Location	Date	Time
2019-20	Registered Office - C-1, Industrial Estate, Nandyal, Kurnool Dst., A.P.	18.09.2020	11.30 AM
2020-21	Video Conferencing/ Other Audio Visual Means (Deemed venue: C-1, Industrial Estate, Nandyal, Kurnool Dst., Andhra Pradesh.)	30.12.2021	03.30 PM
2021-22	Video Conferencing/ Other Audio Visual Means (Deemed venue: 10/156, Betamcherla Road, Betamcherla, Cement Nagar, Kurnool-518502, Andhra Pradesh)	30.09.2022	03:30 PM

b. Extra-ordinary General Meeting

One Extra-ordinary General Meeting (EGM) was held during the year under review as follows:

Financial Year	Location	Date	Time
2022-23	Video Conferencing (Deemed venue: 10/156, Betamcherla Road, Betamcherla, Cement Nagar, Kurnool-518502, Andhra Pradesh)	17.03.2023	11.30 AM

c. Postal Ballot

No postal ballot was held during the year under review.

Special Resolutions:

In respect of the resolutions passed in the above three respective Annual General Meetings and Extra-Ordinary General Meeting wherever applicable, the necessary Form No. MGT 14 were filed with the Registrar of Companies, Vijayawada.

6. Means of Communication:

The Quarterly results are normally published in “Financial Express” in English and “Andhra Prabha” regional newspaper published in the vernacular language. The results are promptly furnished to the stock exchange for display on its web site.

Website: The Company’s website www.panyamcements.in contains a separate dedicated section ‘Investors’ where shareholder’s information is available. The Company’s Annual Report is also available in downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements Directors’ Report, Auditors’ Report and other important information is circulated to members and others entitled thereto. Both “Management Discussion and Analysis” and “Shareholders Information” forms part of the Annual Report.

7. General Information for Shareholders:

i) Company registration details	The Company is registered in the State of Andhra Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26940AP1955PLC000546.
ii) 67 th Annual General Meeting Date and Time Venue (Deemed) Mode	Friday, 29 th September 2023, at 12.00 pm IST 10/156, Betamcherla, Cement Nagar, Nandyal, Kurnool, Andhra Pradesh-5182016. Video Conferencing
iii) Financial Year	01 st April to 31 st March
iv) Financial calendar	1 st April 2022 to 31 st March, 2023
v) Financial Reporting Un-audited For the quarter ending June 30, 2022 For the quarter ending Sept 30, 2022 For the quarter ending December 31, 2022 For the quarter ending March 31 2023 (audited)	07 th October, 2022 07 th November, 2023 13 th February, 2023 27 th May, 2023
vi) Date of Book Closure	22 nd September, 2023 to 29 th September, 2023 (both days inclusive)
vii) Dividend payment date	N.A.

viii) Listing on Stock Exchanges	The Company's shares are listed on: BSE Limited, Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Listing fees for Financial Year 2023-24 has been paid on 27 th April, 2023.		
The erstwhile management has not paid listing fees and non-complaint with SEBI Regulations, due to which the Stock Exchange has imposed suspension on trading of company shares. The new management has made the necessary payments, rectified the non-compliances, made application to the Stock Exchange for revocation of suspension imposed, obtained their in-principal approval, made post-approval application and currently awaiting their reply.			
ix) Stock code:	500322		
x)	Market Price Data:		
	Month	Stock Exchange Mumbai (BSE) Rs.	
		High (Rs)	Low (Rs.)
	NIL		
xi) Registrar and Share Transfer Agents :	M/s. XL Softech Systems Limited 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034. Tel : 040-23545913/914/915 Fax : 040-23553214 Email : xlfield@gmail.com Website : www.xlsoftech.com		

8. a) Distribution of shareholding as on 31st March 2023:

Nominal Value of Shares	No. of Share Holders	Percentage of Share Holders	Shares Amount in Rs.	Percentage of Share Holders %
Up to - 5000	8,000	98.86	1802420	2.25
5001 - 10000	38	0.47	278780	0.35
10001 - 20000	32	0.40	440070	0.55
20001 - 30000	7	0.09	179590	0.22
30001 - 40000	1	0.01	36650	0.05
40001 - 50000	1	0.01	44280	0.06
50001 - 100000	7	0.09	490310	0.61
100001 & above	6	0.07	76941910	95.92
TOTAL	8,092	100.00	80214010	100.00

b) **Pattern of shareholding as on 31st March 2023.**

A Category	No. of Shares	% of shareholding
Promoter's holding		
1 Promoters : Indian Promoters	7620330	95
Foreign Promoters		
2 Persons acting in concert	-	-
Sub Total	7620330	95.00
B Non-Promoters holding		
3 Institutional Investors		
A Mutual Funds and UTI	42227	0.53
B Banks, Financial Institutions, Insurance companies (Central, State Government Institutions/ Non-Govt Institutions)	5629	0.07
Sub Total	47856	0.60
4 Others		
A Bodies Corporate	16277	0.20
B Indian Public	290884	3.63
C NRIs/OCBs	25139	0.31
D Any Other	20915	0.26
Sub Total	353215	4.4
Grand Total	8021401	100

9. Dematerialization of Shares and Liquidity:

The Company's shares are available for Demat with National Securities Depository Limited and Central Depository Services (India) Limited. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in the dematerialized form with effect from September, 2001. The ISIN number allotted for trading in the Company's Equity Shares in Demat form is INE167E01037 at both the Depositories.

As on 31st March, 2023, 7958645 equity share are dematerialised, which constitute 99.22% of the paid-up equity share capital of the Company, out of which 3,95,423 (4.93%) equity shares are held through NSDL and 75,63,222 (94.29%) equity shares are held through CDSL and the balance i.e., 62,756 (0.78%) equity shares are held in physical form.

10. Plant Locations:

Registered Office	10/156, Betamcherla Road, Betamcherla, Cement Nagar, Nandyal, Kurnool- 518206, Andhra Pradesh Telephone No. : 08516-293625 Website: www.panyamcements.in Email ID: pcmil2021@panyamcements.in
Cement Work	10/156, Betamcherla Road, Betamcherla, Cement Nagar, Nandyal, Kurnool- 518206,

	Andhra Pradesh. Telephone No. : 08516 - 274638 Email ID: pcmil2021@panyamcements.in
Central Administrative Office (For Correspondence)	H.No.1-65, 1st Floor, Plot No.539, Road No.11, Kakateeya Hills, Guttala Begumpet Village, Madhapur, Hyderabad-500081, Telangana. Telephone No.: 040-49544944 Email ID: pcmilcao@panyamcements.in

11. The Company has not obtained any credit ratings during the financial year ended 31st March, 2023. However, after end of financial year and before presentation of this report, the company has made an application with a renowned credit rating agency to obtain the same.

12. Disclosure on materially significant related party transactions:

The company has not made any significant related party transactions with its related parties as per Companies Act, 2013 and SEBI Regulations that may have potential conflict with interests of the Company. The policy on dealing with related party transactions disclosed on website of the Company <https://www.panyamcements.in/panyam%20files/Related%20Party%20Transactions%20Policy.pdf>

13. Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Vigilance or Ethics Officer who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. It is hereby affirmed that the mechanism provides direct access to the designated Ethics Officer /Chairman of the Audit Committee for exceptional cases. All employees can also directly meet the Audit Committee members of the company. The policy is available on Company website www.panyamcements.in

14. The Company has no subsidiaries as on financial year ended 31st March, 2023.

15. Details on utilization of funds raised through preferential allotment

The company has raised a sum of Rs.7,62,03,300/- through preferential allotment from Resolution Applicants and a person eligible under section 29A of Insolvency Bankruptcy Code (IBC) pursuant to the Resolution Plan approved by NCLT, Amravati Bench vide order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021.

The funds raised have been utilized in purchase of Clinker and meeting the working capital requirements of the Company.

16. Certificate from Company Secretary in Practice that none of the Directors on board of the Company as on financial year ended 31st March, 2023 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority enclosed as **Annexure-V**.

17. The company has no subsidiaries as on financial year ended 31st March, 2023 and the company has paid a sum of Rs. 5,00,000/- to statutory auditors of the Company as total fee for all the services rendered by them during the year under review.

18. Certificate as required by the Regulation 17 (8) Part B of Schedule II of the SEBI (LODR) Regulation, 2015, the certificate from Managing Director and CFO annexed herewith as **Annexure VI**.
19. **Declaration on compliance of Code of Conduct**
As required under Clause D of Schedule V of the SEBI (LODR) Regulation, 2015, the Managing Director of the Company has furnished the requisite Certificates to the Board of Directors affirming that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Company's code of conduct. The Certificate is annexed herewith as **Annexure-VII**.
20. Compliance Certificate from Practicing Company Secretaries regarding compliance of Corporate Governance requirements enclosed as **Annexure-VIII**.
21. **Demat suspense account disclosures:**

S. No.	Particulars	Details
(a)	Aggregate number of shareholders and the outstanding shares as on 01st April, 2022	886 shareholders and 1,00,010 outstanding equity shares
(b)	No. of shareholders who approached the Company for transfer of their shares from suspense account	Nil
(c)	No. of shareholders to whom shares were transferred from suspense account	Nil
(d)	Aggregate number of shareholders and the outstanding shares as on 31st March, 2023	886 shareholders and 5,001 outstanding equity shares

Note: The Share Capital of the Company has been reduced by 95% pursuant to Resolution Plan approved by NCLT and due to this, the number of shares in suspense account have been reduced.

Voting rights on the shares in Demat suspense account shall remain frozen till the rightful owner claims such shares.

By Order of the Board of Directors
For **Panyam Cements & Mineral Industries Ltd**

Sd/-
Jagathrakshakan Srinisha
Managing Director
(DIN: 01728749)

Sd/-
Narayanasamy Elamaran
Director
(DIN: 01744259)

Place: Chennai
Date: 04th September, 2023

Certificate of Non-Disqualification of Directors

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

To,
The Members of
Panyam Cements and Mineral Industries Limited,
CIN: L26940AP1955PLC000546
10/156, Betamcherla Road, Betamcherla,
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

We have examined the available documents and disclosures received from the Directors of **Panyam Cements and Mineral Industries Limited** [CIN:L26940AP1955PLC000546] and having registered office at 10/156, Betamcherla Road, Betamcherla, Cement Nagar, Kurnool, Andhra Pradesh - 518206 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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.

Sl. No.	Name of Director	DIN	Date of appointment in Company
01	Shri. Panduranga Rao Surathu	07339056	30-11-2015*
02	Shri. S Sreedhar Reddy	01440442	18-08-2004*
03	Shri. Ramakrishna Prasad Sunkara	02451497	26-11-1994**
04	Shri. Jayarama Reddy Pedireddygari	07053207	31-12-2014**
05	Ms. Sakthi Sri Devi	09448634	17-01-2022*
06	Mr. Palani	09448684	17-01-2022*
07	Mr. Aravindan	09448703	17-01-2022*
08	Jagathrakshakan Srinisha	01728749	25-04-2022
09	Ramachandran Balachandran	01648200	20-12-2022
10	Narayanasamy Elamaran	01744259	20-12-2022
11	Vasudevan Raghavan	02745060	20-12-2022
12	Asuri Ramesh Sholinghur	07586413	13-01-2023

* resigned on 20.12.2022 ** resigned on 10.06.2022;

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 **B S S & Associates**
Company Secretaries

Sd/
S.Srikanth
Partner

ACS:22119; CoP:7999

UDIN: A022119E000796739

Peer Review No.726/2020

Place: Hyderabad

Date: 14.08.2023

Annexure VI

**CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LODR)
REGULATION, 2015**

Dear Shareholders,

We, Srinisha Jagathrakshakan, Managing Director and Amarnath Sachu, Chief Financial Officer of M/s. Panyam Cements & Mineral Industries Limited do hereby certify that:-

- a) We have reviewed the financial statements and the Cash Flow Statement for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief:
 - i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with 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 period, which are fraudulent, illegal and violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee that:
 - i) There have been no significant changes in internal control over financial reporting during the year;
 - ii) There have been no significant changes in accounting policies during the year; and
 - iii) There have been no 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.

Sd/-
Srinisha Jagathrakshakan
Managing Director
DIN: 01728749

Sd/-
Amarnath Sachu
CFO

Chennai
04th September, 2023

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

To,

The Members,
Panyam Cements and Mineral Industries Limited,
10/156, Betamcherla, Cement Nagar, Nandyal, Andhra Pradesh – 518 206.

I Srinisha Jagathrakshakan, Managing Director of the Company hereby certify that the code of Conduct for Board of Directors and Senior Management of the Company ("the Code") as adopted by the management is available on website of the Company at www.panyamcements.in

Pursuant to Clause D of Schedule V of the SEBI (LODR) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code for the financial year ended 31st March, 2023.

For and on behalf of the Board of Directors
Panyam Cements and Mineral Industries Limited

Sd/-
Srinisha Jagathrakshakan
Managing Director
DIN: 01728749

Place: Chennai
Date: 04th September, 2023

Certificate on Corporate Governance

To,

The Members,
 Panyam Cements and Mineral Industries Limited,
 CIN: L26940AP1955PLC000546
 10/156, Betamcherla Road, Betamcherla,
 Cement Nagar, Kurnool, Andhra Pradesh - 518206.

Its status under the Act: **Panyam Cements and Mineral Industries Limited** is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Amravati Bench with effect from 14th May, 2020 to 13.01.2023. The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by RV Consulting Services Private Limited and Sagar Power Limited vide Order dated June 25, 2021. The Hon'ble NCLT, Amravati Bench has also approved the constitution and appointment of Sri. Bhruvish Amin as Monitoring Agent of Monitoring Committee. IMC has implemented the resolution plan and handed-over the company affairs to the new board of directors. The new Board of the company took the control over the company operations with effect from 13.01.2023.

During the period from April 01, 2022 to January 13, 2023, our verification is restricted due to CIRP. We have examined the compliance of the conditions of Corporate Governance by Corporate Governance of Panyam Cements and Mineral Industries Limited (the 'Company') for the financial year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Board of Directors of the Company is properly constituted as per the provisions of the Companies Act, 2013 and the Company has complied with all other conditions of the Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that the 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 S S & Associates**
 Company Secretaries

Sd/
S.Srikanth
 Partner

Place: Hyderabad
 Date: 14.08.2023

ACS:22119; CoP:7999
 UDIN: A022119E000796739
 Peer Review No.726/2020

INDEPENDENT AUDITOR'S REPORT

To
The Members,
M/s. Panyam Cements and Mineral Industries Limited

Report on the Audit of Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED** (“the company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (herein after referred to as “the financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the **Basis for Qualified Opinion** section of our report, the accompanying financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the LOSS and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has not adopted and complied with the requirements of Ind AS-19 ‘Employee Benefits’ in respect of the Gratuity liability which constitute a departure from the Accounting standards mentioned in the Companies (Indian Accounting Standards) Rules 2015 referred in section 133 of the Act. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the profit for the year, income tax and shareholder’s funds.

We conducted our audit of the 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 *Auditors responsibility for the Audit of Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of 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 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 financial statements.

Emphasis of matter

We draw attention to NOTE No 1.1.2 of the Notes to the financial statements for the year ended 31.03.2023 which states the revision on the financial statements initially approved by the Board on 27.05.2023

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statement

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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them

all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
 - 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: no remuneration was paid by the Company to its directors during the year;
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed pending litigations by way of a note in the Contingent Liabilities in its financial statements - Refer Note 28 to the Ind AS financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts; as such there were no material foreseeable losses thereon;
- iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund; therefore, delay in transferring such sums does not arise;
- iv.
 - a) the management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 have been received by the Company from any person or entity, including foreign entities ("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; and
 - c) based on such audit procedures that were 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 (a) and (b) contain any material misstatement;
- v) no dividend has been declared or paid during the year by the Company.

for **K.S. RAO & Co.,**
Chartered Accountants
Firm's Regn.No.003109S

(P. GOVARDHANA REDDY)
Partner
M.No.029193
UDIN : 23029193BGWHKX1704

Place : Hyderabad
Date : 04-09-2023

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Statement on the matters specified in the Companies (Auditor's Report) Order, 2020

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that

- i) in respect of the Company's property, plant and equipment:
 - 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 not capitalized any intangible assets. Hence Para 3(i) (B) of the said Order, is not applicable to the Company;
 - b) the Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
 - c) on the basis of our examination of the records of the Company, the title deeds of all immovable properties are held in the name of the Company.
 - d) on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year;
 - e) on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- ii) in respect of Company's inventory:
 - a) the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. Discrepancy of 10% or more were not noticed on such physical verification. There are no inventories lying with third parties as at year-end;
 - b) the Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets. Hence, clause 3(ii) (b) of the said Order is not applicable;
- iii) during the year the Company has not made any investment in, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on Para 3(iii)(a) to (f) of the Order is not applicable to the Company.

- iv) in view of our comment in the sub para (iii) above compliance with the provisions of Sections 185 and 186 of the Act does not arise;
- v) the Company has not accepted deposits from public during the year and does not have any unclaimed deposits as at 31st March, 2023 and therefore, the provisions of the Para 3 (v) of the Order are not applicable to the Company;
- vi) since there were no operations during the immediately preceding year, maintenance of Cost records U/s148(1) of the Act is not applicable;
- vii) according to the information and explanations given to us, in respect of statutory dues:
 - a. the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income-tax, sales tax, service tax Customs Duty, Excise duty Cess and other material statutory dues as applicable, with the appropriate authorities;
 - b. there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax (GST), Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable;
 - c. there were no disputes as at 31.03.2023 to the extent of depositing the current year dues. However PF Authorities, Electricity Board and Excise Duty Authorities have approached NCLAT (National Company Law Appellate Tribunal) claiming the amounts as mentioned below pertaining to earlier years owed by the erstwhile Management and the company has shown as Contingent Liability as on 31.03.2023

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Forum where dispute is pending
Employees Provident Fund and Miscellaneous Provisions Act, 1952	PF delay charges/ damages for belated payments	722.72	NCLAT, Chennai
The Electricity Act, 2003	Dues to APSPDCL	4,702.25	NCLAT, Chennai
Central excise, service tax	Dues due to central excise, service tax	3,122.21	NCLAT, Chennai
Securities & Exchange Board of India	Penalties for non-compliance	14.00	See note below*

Note*: SAT decided the case in favour of the company, but SEBI intends to appeal to the Supreme Court of India against SAT order.

- viii) the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on Para 3(viii) of the Order is not applicable to the Company;

- ix) a) the Company has been taken over by the new management through NCLT Order and the new management has not defaulted in repayment of loans and borrowing or in the payment of interest.
- b) the Company is not a declared wilful defaulter by any bank, financial institution or other lender;
- c) during the year under report the company has not raised any term loans;
- d) during the year under report the Company got intercorporate deposits from related parties and were shown under Current Liabilities pending finalisation of repayment terms by the Lenders. Deposit amounts were utilised for both long term purposes and short term purposes:
- e) the Company does not have subsidiaries, joint ventures. Hence reporting under Clauses 3(ix) (e) and (f) is not applicable;
- x) a) the Company did not raise moneys by way of initial public offer or further public offer during the year .Hence reporting under Clauses 3(x) (a) is not applicable;
- b) the Company has made preferential allotment during the year and complied with the requirements of section 62 of the Companies Act 2013:
- xi) a) based on examination of the books and records of the Company, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
- b) no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 during the year and up to the date of this Report with the Central Government;
- c) no whistle blower complaints received by the Company during the year;
- xii) the Company is not a Nidhi Company. Accordingly, Para 3(xii) of the Order is not applicable;
- xiii) the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc as required by the applicable accounting standards;
- xiv) a) the Company has an internal audit system, in our opinion , which needs to be strengthened ;
- b) we were unable to obtain on timely basis of the internal audit reports of the company, hence the internal audit reports have not been entirely considered by us
- xv) during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act, are not applicable;
- xvi) a) the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934 ;

- b) the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
 - c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India;
 - d) the Company does not have any Core investment Company as a part of its group of Companies;
- xvii) the Company had incurred cash loss of Rs 10.01 Cr in the immediately preceding financial year and during the year an amount of Rs 26.05 incurred cash losses ;
- xviii) there has been no resignation of the statutory auditors during the year. Accordingly, Para 3(xviii) of the Order is not applicable;
- xix) 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- xx) in our opinion and according to the information and explanations given to us, the company is not obligated to spend the amount under CSR Obligations as per section 135 of the Companies Act, 2013. Accordingly, Para 3(xx)(a)& (b) of the Order is not applicable;

for **K.S. RAO & Co.,**
Chartered Accountants
Firm's Regn.No.003109S

(P. GOVARDHANA REDDY)
Partner
M.No.029193
UDIN : 23029193BGWHKX1704

Place : Hyderabad
Date : 04-09-2023

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial statements of Panyam Cements and Mineral Industries Ltd ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Statements

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

Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

During the Last Quarter of the Year under Report the Company started its manufacturing activity. It is informed by the Company that it is in the process of establishing and documenting internal financial controls with reference to financial statements. For the year under report we relied upon the manual controls adopted by the Management. Considering the operations and transactions of the Company in our opinion these controls are to be strengthened.

For **K.S. RAO & Co.,**
Chartered Accountants
Firm's Regn.No.003109S

P.GOVARDHANA REDDY
Partner
M.No.029193
UDIN : 23029193BGWHKX1704

Place: Hyderabad
Date: 04-09-2023

Panyam Cements and Mineral Industries Limited

Balance Sheet as at 31st March, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2A	9,348.85	3,130.18
(b) Capital work-in-progress	2B	1,439.42	1,866.27
(c) Other Intangible Assets	2A	15.75	-
(d) Financial assets			
(i) Investments	3	5.50	3.63
(ii) Other financial assets	4	211.50	202.89
(e) Other non-current assets	5	112.93	1,790.10
Total Non-current assets		11,133.95	6,993.08
2 Current assets			
(a) Inventories	6	1,080.16	92.03
(b) Financial assets			
(i) Trade receivables	7	137.37	-
(ii) Cash and cash equivalents	8	242.71	705.17
(iii) Bank balances other than cash and cash equivalents	9	554.65	-
(iv) Other financial assets	10	26.63	-
(c) Current tax asset (Net)	4	12.41	-
(d) Other current assets	5	1,861.82	197.60
Total Current assets		3,915.75	994.80
TOTAL ASSETS		15,049.70	7,987.88
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	802.14	40.11
(b) Other equity	12	(12,228.95)	(6,245.47)
Total Equity		(11,426.81)	(6,205.36)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liability	13	22.86	-
(b) Provisions	14	11.75	-
(c) Deferred tax liabilities (net)		-	-
(d) Other non-current liabilities	15	-	-
Total Non-current liabilities		34.61	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	23,050.00	14,050.00
(i) Lease Liability	13	19.79	-
(ii) Trade payables	17	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than (msme)		2,949.38	81.59
(iii) Other financial liabilities	13	185.52	-
(b) Provisions	14	-	-
(c) Income tax liabilities (net)		-	-
(d) Other current liabilities	15	237.21	61.65
Total Current liabilities		26,441.90	14,193.24
TOTAL EQUITY AND LIABILITIES		15,049.70	7,987.88

As per our attached report of even date

For and on behalf of the Board

For K S Rao & Co

Chartered Accountants

Firm's Regn No.0031095

M/s Panyam Cements & Mineral Industries Limited

Sd/-
(CA P.GOVARDHANA REDDY)
Partner

Membership No.029193

Place: Hyderabad

Date: September 04, 2023

Sd/-
Jagathrakshakan Srinisha
Managing Director
DIN: 01728749

Sd/-
Narayanansamy Elamaran
Director
DIN: 01744259

Panyam Cements and Mineral Industries Limited

Statement of Profit and Loss for the Year ended 31st March, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note	Current Year (As at March 31, 2023)	Previous Year (As at March 31, 2023)
I Revenue from operations	18	3,885.76	-
II Other income	19	24.53	28,381.70
III Total Income (I + II)		3,910.29	28,381.70
IV Expenses			
(a) Cost of materials consumed	20	3,660.32	-
(b) Purchases of stock-in-trade	-	-	
(c) Changes in inventories of finished goods and work-in-progress	21	(150.95)	-
(d) Employee benefit expenses	22	398.18	120.07
(e) Finance costs	23	5.12	-
(f) Depreciation and amortisation expense	24	443.69	437.68
(g) Power and fuel expenses	25	695.11	-
(h) Other expenses	26	1,900.17	7,015.34
Total Expenses		6,951.62	7,573.08
V Profit/ (loss) before exceptional items and tax (III-IV)		(3,041.34)	20,808.62
VI Exceptional items	27	(2,944.01)	(849.45)
VII Profit/ (loss) before tax (V + VI)		(5,985.35)	19,959.17
VIII Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
(c) MAT eligible for credit		-	-
(d) Earlier years income tax		-	(315.57)
Total Tax expense		-	(315.57)
IX Profit/(loss) for the period (VII-VIII)		(5,985.35)	20,274.74
X Other comprehensive income			
(i) Items that will not be reclassified to profit and loss			
(a) Net gains/(losses) on FVTOCI equity securities (Net of tax effect)*		1.86	1.28
Other comprehensive income for the year, net of tax		1.86	1.28
XI Total comprehensive income for the period (IX + X)		(5,983.49)	20,276.02
Earnings Per Equity Share (Face Value ₹10 each) (March 31, 2023) in rupees			
Basic		(376.18)	5,055.15
Diluted		(376.18)	252.76
Corporate information and significant accounting policies	1		
See accompanying notes forming part of the financial statements			

As per our attached report of even date

For and on behalf of the Board

For K S Rao & Co

M/s Panyam Cements & Mineral Industries Limited

Chartered Accountants

Firm's Regn No.0031095

Sd/-

Sd/-

Sd/-

(CA P.GOVARDHANA REDDY)

Jagathrakshakan Srinisha

Narayanasamy Elamaran

Partner

Managing Director

Director

Membership No.029193

DIN: 01728749

DIN: 01744259

Place: Hyderabad

Date: September 04, 2023

Panyam Cements and Mineral Industries Limited

Statement of cash flows for the year ended March 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars		For the year ended		For the year ended	
		March 31, 2023		March 31, 2022	
A	Cash flow from operating activities				
	Profit/(Loss) before tax		(5,985.35)		19,959.17
	Adjustments for				
	Depreciation and amortisation expense	443.69		437.68	
	Finance costs	1.38		-	
	Interest income	(12.67)		-	
	Debit balances written off	-		6,133.15	
	Finance cost on Lease Liability	3.74		-	
	Discarded Asset Written off	1,658.00	2,094.13	-	6,570.83
	Operating profit/(Loss) before working capital changes		(3,891.22)		26,530.00
	Changes in working capital				
	Adjustments for (increase)/decrease in operating assets:				
	Trade receivables	(137.37)		2,348.97	
	Inventories	(988.13)		788.56	
Other financial assets includes increase in electricity deposit	(35.24)		105.72		
Other assets	(1,664.22)	(2,824.96)	357.03	3,600.28	
Adjustments for increase/(decrease) in operating liabilities:					
Trade payables	2,867.80		(2,493.98)		
Other financial liabilities	221.30		(8,344.56)		
Provisions	11.75				
Other liabilities includes Decommissioning Liability in Non current	195.35	3,296.18	(13,223.60)	(24,062.13)	
Cash generated from operating activities		(3,420.00)		6,068.16	
Less: Income tax paid		(12.41)		-	
Net cash generated from operating activities		(3,432.40)		6,068.16	
B	Cash flow from investing activities				
	Capital expenditure on property, plant and equipment including capital advances	(6,232.09)		(2,559.33)	
	Deposits not considered as cash and cash equivalents				
	- Placed	(554.65)		0.76	
	- Matured	-		-	
Interest	12.67		-		
Net cash used in investing activities		(6,774.07)		(2,558.57)	
C	Cash flow from financing activities				
	Proceeds from allotment of equity shares	762.03		-	
	Proceeds from non-current borrowings	9,000.00		-	
	(Repayment)/ Proceeds from current borrowings (net)	-		(13,104.55)	
	Loans and advances paid to related parties	-		10,280.47	
	Finance costs	(1.38)			
Lease Payments	(16.65)				
Net cash generated from / (used in) financing activities		9,744.01		(2,824.08)	

Net (decrease)/ increase in cash and cash equivalent (A + B + C)		(462.46)		685.51
Cash and cash equivalent at the beginning of the year		705.17		19.67
Cash and cash equivalent at the end of the year (Refer Note 7)		242.71		705.17
Note:				
Cash and cash equivalents comprises :				
Cash on hand		10.54		-
Balances with banks		232.17		705.17
Cash and cash equivalents (Refer Note 8)		242.71		705.17

Note: The above cash flow prepared under indirect method

As per our attached report of even date

For K S Rao & Co

Chartered Accountants

Firm's Regn No.003109S

Sd/-

(CA P.GOVARDHANA REDDY)

Partner

Membership No.029193

For and on behalf of the Board

M/s Panyam Cements & Mineral Industries Limited

Sd/-

Jagathrakshakan Srinisha

Managing Director

DIN: 01728749

Sd/-

Narayanasamy Elamaran

Director

DIN: 01744259

Place: Hyderabad

Date: September 04, 2023

Panyam Cements and Mineral Industries Limited
Statement of changes in equity for the year ended 31st March, 2023

(₹ in lakhs)

a. Equity share capital		Note	Amount			
As at 31st March, 2021			1,686.42			
Changes in equity share capital during the year		11	(1,646.31)			
As at 31st March, 2022			40.11			
Changes in equity share capital during the year		11	762.03			
As at 31st March, 2023			802.14			
(₹ in lakhs)						
b. Other equity		Reserves and Surplus			Items of Other Comprehensive income	Total other equity
Particulars	Note 12	Securities premium reserve	Capital redemption reserve	Retained earnings	FVOCI - equity instruments	
Balance as at 31st March, 2021		1,570.57	74.19	(27,534.02)	(2,297.84)	(28,187.10)
Changes in equity for the period ended 31st, March 2022						
Capital Reduction	(iii)			1,665.61		1,665.61
Profit for the year	(iii)			20,274.74		20,274.74
Equity instruments through other comprehensive income	(iv)				1.28	1.28
Balance as at 31st March 2022		1,570.57	74.19	(5,593.67)	(2,296.56)	(6,245.47)
Changes in equity for the period ended 31st, March 2023						
Capital Reserve					1.86	1.86
Equity instruments through other comprehensive income				(5,985.35)	-	(5,985.35)
Profit for the year						
Balance as at 31st March 2023		1,570.57	74.19	(11,579.02)	(2,294.69)	(12,228.95)

As per our attached report of even date

For K S Rao & Co

Chartered Accountants

Firm's Regn No.0031095

For and on behalf of the Board

M/s Panyam Cements & Mineral Industries Limited

(CA P.GOVARDHANA REDDY)

Partner

Membership No.029193

Jagathrakshakan Srinisha

Managing Director

DIN: 01728749

Narayanasamy Elamaran

Director

DIN: 01744259

Place: Hyderabad

Date: September 04, 2023

Notes to financial statements for the year ended 31st March 2023

Note 1: Corporate information and significant accounting policies

1.1.1 Corporate information

Panyam Cements & Minerals Industries Limited (“the company”) a public limited company incorporated in the year 1955 and domiciled in India and has its registered office at 10/156, Cement Nagar, Bethamcherla Road, Bethamcherla, Nandyal district, Andhra Pradesh- 518206. The securities of the company were listed in Bombay Stock Exchange of India Limited. The Company is engaged in the business of manufacture and sale of cement and cementitious articles. The financial statements for the year ended March 31, 2023, were approved by the Board of Directors on 27th May, 2023.

1.1.2 The company management decisions were made and affairs were held by the Implementation and Monitoring Committee (IMC) of the Company from beginning of the financial year up to 13th January, 2023, post which, they have discharged their duties and handed-over the affairs of the Company to the newly constituted board of directors of the Company.

1.1.3 Note on revised accounts:

The financial statements for the year ended March 31, 2023, were approved by the Board of Directors on 27th May 2023. Later, it was noticed that the approved financials have miscalculated depreciation amounting to Rs. 550 lakhs which resulted in over statement of loss for the quarter ended and for the year ended March 31, 2023 by Rs. 550 lakhs to rectify this miscalculation the board revised the financial statements and approved the same in its meeting held on 04th September, 2023.

S. NO.	Particulars	Amount in Lakhs
1	Profit/ (Loss) as per initial approved financials	(6,535)
2	Changes in Depreciations due to miscalculation	550
3	Profit/ (Loss) as per revised financials	(5,985)

1.2 Significant accounting policies

A. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act 2013, (“the Act”) (to the extent notified) , read with Rule 3 of Companies (Indian Accounting Standards) Rules 2015 as amended thereof and guidelines issued by the Securities Exchange Board of India

Accounting policies are consistently applied except were a newly inserted accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

B. Basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles on accrual basis of accounting and the historical cost convention basis except for certain financial instruments that are measured at

fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees rounded to nearest lakhs with two decimals. Figures less than thousands are shown as Nil.

C. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- * Expected to be realized or intended to be sold or consumed in normal operating cycle
- * Held primarily for the purpose of trading
- * Expected to be realized within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- * It is expected to be settled in normal operating cycle
- * It is held primarily for the purpose of trading
- * It is due to be settled within twelve months after the reporting period, or
- * It does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- * All other assets and liabilities are classified as non-Current.

The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The company has identified 12months as its operating cycle.

D. Use of estimates and judgments

The preparation of the financial statements requires that the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates.

Any revision to accounting estimates is recognized prospectively in current and future periods. The critical accounting judgments and key estimates followed by the Company for preparation of financial statements are described in Note 1.2 (V).

E. Property, Plant and Equipment

Freehold Land is carried at historical cost. Other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss if any,. Historical cost includes purchase price and expenditure that is directly attributable for the bringing the asset into intended use. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be reliably measured. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

F. Depreciation and Amortization

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the in respect of plant and machinery and buildings and in respect of other assets on written down value method. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and with the effect of any changes in estimate accounted for on a prospective basis.

G. Impairment of Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

H. Mine closure, site restoration and decommissioning obligations:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. The company recognises unavoidable obligations, legal or assumed, to restore

the mines upon exhaustion of reserves/end of lease period whichever is earlier.

The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting, etc.

The estimate of expenses are escalated for inflation, and then discounted at a discount rate that reflects the current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to be settle the obligation.

The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds creating an expense recognised as financial expenses.

Subsequent adjustments to the obligation for changes in the estimated cashflows/ disbursement period/ discount rate are made against fixed assets and depreciation/ amortisation is modified prospectively.

I. Right of use asset:

Leases The Company has adopted Ind AS 116 “Leases” with the date of initial application being April 01, 2022. Ind AS 116 replaces Ind AS 17 - Leases & related interpretation & guidance. The Company’s lease asset classes primarily consist of leases of building.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset, (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

Company as a lessee The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- a) Right-of-use (“ROU”) assets The Company recognizes right-of-use assets at the commencement date, except short term leases and low value leases. The Company’s lease asset classes primarily consist of leases for Buildings. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the lease term. They are subsequently measured at cost less accumulated depreciation and impairment losses if any. For the purpose of impairment testing, the recoverable amount (i.e., the higher

of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

- b) Lease liabilities The Company recognizes lease liability at the commencement date measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the initial application date i.e., April 01, 2022, because the interest rate implicit in the lease is not readily determinable. In respect of subsequent leases, the incremental borrowing rates are determined periodically, to calculate the present value of lease payments. After the lease commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.
- c) Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.
- d) Short term leases and leases of low-value assets

The Company applies the short term lease recognition exemption to its short term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to such leases that are considered to be of low value. Lease payments on short term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term. Company as a lessor Leases in which the Company does not transfer substantially all the risks and rewards

J. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangibles, excluding capitalized software development costs, are not capitalized and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets of the Company are assessed as finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised over the finite life of the asset under straight line method.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The useful life of the Intangible assets is estimated as under:

Asset type	Useful life
Computer Software	10 Years

K. Borrowing costs:

Borrowing cost includes interest computed using Effective Interest Rate method, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalized as part of the cost of that asset which takes a substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalization by applying capitalization rate to the expenditure incurred on such cost. The capitalization rate determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalizes during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

L. Impairment of non-financial assets

The carrying values of the non-financial assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the statement of profit and loss.

M. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value except for trade receivables which are directly measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- * Financial assets at amortized cost
- * Equity instruments at fair value through other comprehensive income (FVTOCI)

Financial assets at amortized cost

A 'Financial asset' is measured at the amortized cost if both of the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by - instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

Derecognition

A financial asset (where applicable, a part of a financial asset) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

- (a) The Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of Financial assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

The Company follows "Simplified approach" for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Financial liabilities

Initial recognition and measurement

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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognized

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

N. Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Such investments in which the Company has no significant influence are accounted under Ind AS 109 at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

O. Inventories

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and Costs necessary to make the sale. Cost of inventories comprises cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

P. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, Cash on hand and short-term deposits with an initial maturity of three months or less, which are subject to an insignificant risk of changes in value.

Q. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

- **Current Tax:**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates as per the provisions of the Income tax Act, 1961 and other applicable tax laws Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognized as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the “MAT Credit Entitlement” at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period. Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognized amounts and intends to settle the asset and the liability on a net basis.

- **Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

- **Current and Deferred Tax for the Year:**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

R. Provisions, Contingent liabilities and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the 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.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability:

Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognized but disclosed in the financial statements.

Contingent asset

Wherever there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when the inflow of economic benefit is probable.

S. Revenue Recognition

Revenue from sale of goods is recognized when control of the products being sold is transferred to customer and when there are no unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. There is no significant financing component with regard to sale of products for the Company as per Ind AS 115. The Company do not have any non-cash consideration.

Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorized by the Company:

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognized when the right to receive dividend is established.

Other Operating Income and Other Income:

Revenue with respect to Other Operating Income and Other Income including incentives are recognized when a reasonable certainty as to its realization exists.

T. Employee Benefits

Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of Bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, and Deposit Linked Insurance Policy are recognized in the period in which the employee renders the related services.

Post-Employment Benefits:

(i) Defined Contribution Plan:

The Company's contribution paid / payable during the year to Provident Fund are considered as defined contribution plans.

The Contribution paid / payable under these plans are recognized in the Statement of Profit and Loss during the period in which the employee renders the services.

(ii) Defined Benefit Plans:

Gratuity/superannuation and leave encashment benefits payable on retirement/resignation of employees is recognized on retirement/payment basis.

U. Earnings per share

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equities shares outstanding during the period. Diluted EPS is calculated after considering the potential equity shares to be issued with respect to Hon'ble NCLT order.

V. 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 disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revenue recognition:

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

Useful lives and residual value of property, plant and equipment:

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Allowance for expected credit losses:

Note 1.2(M) describes the use of practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables which are past due, and the rates derived based on past history of defaults in the provision matrix.

Fair value of investments:

The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain.

Taxes:

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent liability judgment:

Note 28 describes claims against the Company not acknowledged as debt. Contingencies may arise from the ordinary course of business in relation to claims

against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum of contingencies inherently involve the exercise of significant judgment and the use of estimates regarding the outcome of future events.

Panyam Cements and Mineral Industries Limited
Notes to financial statements

2. Property, plant and equipment

All amounts are in ₹ lakhs unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Tangible (A)		
Land - freehold	4.18	4.18
Buildings	1,362.92	74.65
Plant and machinery	7,255.05	2,434.97
Office and other equipment	21.29	-
Furniture and fittings	23.93	-
Vehicles	121.19	1.86
Computers	18.29	0.81
Railway siding	502.64	613.72
Right of use Asset	39.36	-
Sub-Total (A)	9,348.85	3,130.18
Intangible (B)		
Computer Software	15.75	-
Sub-Total (B)	15.75	-
Total	9,364.60	3,130.18

Panyam Cements and Mineral Industries Limited

Note to the financial statements

For the year 2022-23

All amounts are in ₹ lakhs unless otherwise stated

	Land Freehold	Building,	Plant & equipment	Office & other equipment	Furniture and fittings	Vehicles	Computers	Railway siding	Right of use Asset (Building)	Total (A)	Computer Software	Total (B)	Grand Total
I. Gross block													
Balance as at March 31, 2022	4.18	790.16	10,061.72	-	-	26.18	29.97	1,728.67	-	12,640.86	-	-	12,640.86
Add: Additions	-	1,310.42	6,744.77	29.33	27.51	124.55	26.47	-	55.56	8,318.60	17.50	17.50	8,336.10
Less: Disposals	-	-	6,511.34	-	-	-	-	-	-	6,511.34	-	-	-
Balance as at March 31, 2023 (A)	4.18	2,100.58	10,295.15	29.33	27.51	150.72	56.44	1,728.67	55.56	14,448.13	17.50	17.50	14,465.63
II. Accumulated depreciation													
Adj Balance as at March 31, 2022	-	715.50	7,626.75	-	-	24.32	29.17	1,114.95	-	9,510.68	-	-	9,510.68
Add: Depreciation expense	-	22.15	266.68	8.04	3.57	5.22	8.99	111.08	16.20	441.94	1.75	1.75	443.69
Less: Eliminated on disposal of assets	-	-	4,853.34	-	-	-	-	-	-	4,853.34	-	-	4,853.34
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	737.66	3,040.09	8.04	3.57	29.54	38.15	1,226.03	16.20	5,099.28	1.75	1.75	5,101.03
Net block (I-II)													
Carrying value as at March 31, 2023	4.18	1,362.92	7,255.05	21.29	23.93	121.19	18.29	502.64	39.36	9,348.85	15.75	15.75	9,364.60
Carrying value as at March 31, 2022	4.18	74.65	2,434.97	-	-	1.86	0.81	613.72	-	3,130.18	-	-	3,130.18

Panyam Cements and Mineral Industries Limited

Notes to financial statements

For the year 2021-22

All amounts are in ₹ lakhs unless otherwise stated

	Freehold Land	Building, Roads & Bridges	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Railway Sliding	Other Assets	Total
Balance as at March 31, 2021	4.18	858.46	13,070.31	110.49	53.98	547.03	90.66	1,742.56	215.37	16,693.04
Additions during the year	-	-	-	-	-	-	-	-	-	-
Less: Disposals	-	60.76	3,207.62	110.49	53.98	520.85	60.69	-	37.77	4,052.17
Balance as at March 31, 2022	4.18	797.69	9,862.69	-	-	26.18	29.97	1,742.56	177.60	12,640.86
Accumulated depreciation										
Balance as at March 31, 2021	-	640.79	7,964.14	106.36	51.59	520.20	86.66	992.21	207.81	10,569.75
Charge for the year	-	20.11	278.95	0.17	0.00	0.74	0.00	135.71	2.00	437.68
Less: Disposals	-	55.27	2,854.95	106.53	51.59	496.62	58.10	-	37.49	3,660.55
Discarded Value	-	5.49	352.67	3.96	2.39	24.23	2.59	-	0.29	391.62
Impirement Loss	-	117.03	2,045.51	-	-	0.01	0.60	-	0.66	2,163.81
Balance as at March 31, 2022	-	728.15	7,786.32	3.96	2.39	48.55	31.76	1,127.91	173.26	9,902.30
Net carrying amount										
Balance as at March 31, 2022	4.18	75.03	2,429.04	-	-	1.86	0.81	614.65	4.62	3,130.18
Balance as at March 31, 2021	4.18	217.67	5,106.17	4.13	2.39	26.83	4.00	750.35	7.57	6,123.28

Panyam Cements and Mineral Industries Limited

Notes to financial statements

2B. Capital Work in Progress

All amounts are in ₹ lakhs unless otherwise stated

Particulars	As at March 31, 2022	Additions	Capitalised	As at March 31, 2023
Buildings	157.84	1,310.42	1,310.42	157.84
Plant and machinery	1,708.43	6,317.92	6,744.77	1,281.58
Total	1,866.27	7,628.34	8,055.19	1,439.42

CWIP ageing Schedule

As on 31.03.2023

CWIP	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	23.15	-	-	1,416.27	1,439.42
Projects temporarily suspended	-	-	-	-	-

As on 31.03.2022

CWIP	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	471.45	-	-	1,394.82	1,866.27
Projects temporarily suspended	-	-	-	-	-

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	As at March 31, 2023	As at March 31, 2022
3	Investments in equity instruments (Quoted)		
	Investments in Bank of Baroda	5.50	3.63
	(No of shares as at 31.03.2023 - 3255, as at 31.03.2022 - 3255 of Rs.2/- each) Fair value through OCI		
	Total	5.50	3.63
(a)	Agreegate amount of quoted investment	0.07	0.07
	- Market Value thereof	5.50	3.63

Note	Particulars	As at March 31, 2023	As at March 31, 2022
4	Other financial assets (Unsecured, considered good)		
	Non-current		
	Security deposits	210.90	202.89
	Pre Paid Rent	0.61	-
	Total	211.50	202.89
	Current		
	Royalty deposits	5.85	-
	Advances to employees Expenses	6.40	-
	Interest accrued but not due	12.67	-
	Pre Paid Rent	1.71	-
	Total	26.63	-
Total other financial assets	238.14	202.89	

Note	Particulars	As at March 31, 2023	As at March 31, 2022
5	Other assets (Unsecured, considered good)		
	Non-current		
	Capital advances	112.93	1,790.10
	Total	112.93	1,790.10
	Current		
	Advances to suppliers and service providers	202.43	16.28
	Prepaid expenses	14.80	-
	Balances with government authorities	1,574.08	181.32
	Pre Payments	70.51	-
	Total	1,861.82	197.60
Total other assets	1,974.75	1,987.70	

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	As at March 31, 2023	As at March 31, 2022
6	Inventories (at lower of cost and net realisable value)		
	Raw materials	190.89	63.74
	Work-in-progress	84.36	-
	Finished goods	66.60	-
	Coal	544.91	-
	Stores and spares	168.63	28.29
	Packing materials	24.78	-
	Total	1,080.16	92.03

Note	Particulars	As at March 31, 2023	As at March 31, 2022
7	Trade receivables		
	Considered good - Secured	-	-
	Considered good - Unsecured	137.37	-
	which have significant increase in credit risk	-	-
	Credit impaired	-	-
	Sub-total	137.37	-
	Less: Expected credit loss allowance	-	-
	Total trade receivables	137.37	-

FY 2022-23:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 years	
(i) Undisputed Trade receivables						
- considered good	127.86	9.51	-	-	-	137.37
- which have significant increase in credit risk						
- credit impaired						
(ii) Disputed Trade Receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk						
- credit impaired	-	-	-	-	-	-
Total	127.86	9.51	-	-	-	137.37

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

FY 2021-22:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 year	More than 3 years	
(i) Undisputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk						
- credit impaired						
(ii) Disputed Trade Receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk						
- credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

Movement in expected credit loss allowance

Particulars	Current Year (As at March 31, 2023)	Previous Year (As at March 31, 2022)
Balance at the beginning of the year	-	-
Add: Expected credit loss allowance	-	-
Balance at the end of the year	-	-

Note	Particulars	As at March 31, 2023	As at March 31, 2022
8	Cash and cash equivalents		
	Balances with banks	232.17	705.17
	Cash on hand	10.54	-
	Total Cash and cash equivalents	242.71	705.17

Note	Particulars	As at March 31, 2023	As at March 31, 2022
9	Bank balances otherthan above		
	Margin money deposits (Refer Note below)	554.65	-
	Total other bank balances	554.65	-
	Note: 100% Margin money deposits against BGs issued		

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	As at March 31, 2023	As at March 31, 2022
10	Current Tax Asset (net)		
	TDS Receivable	0.20	-
	TCS Receivable	12.21	-
	Total current tax asset (net)	12.41	-

Note	Particulars	As at March 31, 2023		As at March 31, 2022	
		No. of Shares	Amount	No. of Shares	Amount
11	Equity share capital Authorised:				
	Equity shares of ₹ 10 each	1,85,00,000.00	1,850.00	1,85,00,000.00	1,850.00
	Issued, subscribed and fully paid:				
	Equity shares of ₹ 10 each	80,21,401.00	802.14	4,01,071.00	40.11

(b) Reconciliation of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Opening balance	4,01,071.00	40.11	4,01,071.00	40.11
Allotment made during the year	76,20,330.00	762.03	-	-
Closing balance	80,21,401.00	802.14	4,01,071.00	40.11

(c) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company the holder of equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to the no of equity shares held by the share holders.

The dividend declared by the board is subject to approval by the share holders in the ensuing annual general meeting.

(d) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares ₹ 10 each	% of holding	No. of Shares ₹ 10 each	% of holding
Dr. Srinisha Jagathrashakan	72,19,260	90.00%	-	-

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

(e) Details of shares held by the promoters in the Company and change during the year:					
Name of the Promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares ₹ 10 each	% of total shares	No. of Shares ₹ 10 each	% of total shares	
Dr. Srinisha Jagathrashakan	72,19,260	90.00%	-	0.00%	100.00%
Sagar Power Ltd	2,00,535	2.50%	-	0.00%	100.00%
RV Consulting Services Pvt Ltd	2,00,535	2.50%	-	0.00%	100.00%

Note	Particulars	As at March 31, 2023	As at March 31, 2022
12	Other equity		
	Securities premium	1,570.57	1,570.57
	Retained earnings	(11,579.02)	(5,593.67)
	Other items of other comprehensive income	(2,294.69)	(2,296.56)
	Capital Redemption Reserve	74.19	74.19
	Total other equity	(12,228.95)	(6,245.47)

Movement in other equity is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium		
(i) Opening balance	1,570.57	1,570.57
(ii) Premium on allotment of equity shares	-	-
	1,570.57	1,570.57
Retained earnings		
(i) Opening balance	(5,593.67)	(27,534.02)
(ii) Capital reduction	-	1,665.61
(ii) Profit/(Loss) for the year	(5,985.35)	20,274.74
	(11,579.02)	(5,593.67)
Less: Appropriations		
(i) Dividend on equity shares	-	-
(ii) Tax on dividend	-	-
	(11,579.02)	(5,593.67)
Other items of other comprehensive income		
(i) Opening balance	(2,296.56)	(2,297.84)
(ii) Other comprehensive income for the year	1.86	1.28
	(2,294.69)	(2,296.56)
Capital Redemption Reserve		
(i) Opening balance	74.19	74.19
(ii) Reserve created during the year	-	-
	74.19	74.19
Total	(12,228.95)	(6,245.47)

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	As at March 31, 2023	As at March 31, 2022
13	Other financial liabilities		
	Non-current		
	Lease Liability	22.86	-
	Total	22.86	-
	Current		
	Dealer deposits	185.52	-
	Lease Liability	19.79	-
	Total	205.31	-
	Total other financial liabilities	228.17	-

Note	Particulars	As at March 31, 2023	As at March 31, 2022
14	Provisions		
	Non-current		
	Gratuity	10.04	-
	Provision for Decommissioning Cost	1.70	-
	Total	11.75	-

Note	Particulars	As at March 31, 2023	As at March 31, 2022
15	Other liabilities		
	Current		
	Outstanding Expenses	187.86	-
	Statutory remittances	30.40	-
	Advance from customers	18.96	-
	Others Liabilities	-	61.65
	Total	237.21	61.65
	Total other liabilities	237.21	61.65

Note	Particulars	As at March 31, 2023	As at March 31, 2022
16	Current borrowings (Unsecured)		
	Inter Corporate Deposits	23,050.00	14,050.00
	Total current borrowings	23,050.00	14,050.00

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	As at March 31, 2023	As at March 31, 2022
17	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-
	Total outstanding dues of creditors other than MSME	2,949.38	81.59
	Total trade payables	2,949.38	81.59

Trade payables ageing schedule for the year ended March 31, 2023:

FY 2022-23:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,949.39	-	-	-	2,949.39
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,949.39	-	-	-	2,949.39

FY 2021-22:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	81.59	-	-	-	81.59
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	81.59	-	-	-	81.59

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
18	Revenue from operations		
	Revenue from - Sale of cement	4,039.74	-
	Less: Discounts	(153.98)	-
	Total revenue from operations	3,885.76	-

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
19	Other income		
	- Sale of scrap	6.07	
	Interest Income on FDs	12.67	-
	Rental Income	1.46	0.89
	Liabilities no longer required written back	-	28,380.81
	Misc. Receipts	4.32	0.00
	Total	24.53	28,381.70

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
20	Cost of materials consumed		
	Opening stock	63.74	-
	Add: Purchases	3,787.47	63.74
	Less: Closing stock	190.89	63.74
	Total	3,660.32	-
	Details of materials consumed:		
	Limestone	76.40	-
	Laterite	11.40	-
	Iron-ore sludge	2.21	-
	Gypsum	47.72	-
	Fly ash	105.58	-
	Clinker	3,332.23	-
	Others	68.56	-
	RM Unloading Charges	16.22	-
	Total	3,660.32	-

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
21	Changes in inventories of finished goods and work-in-progress.		
	Inventories at the beginning of the year:		
	Finished goods	-	-
	Work-in-progress	-	-
		-	-
	Inventories at the end of the year:		
	Finished goods	66.60	-
	Work-in-progress	84.36	-
		150.95	-
	Net (increase)/ decrease	(150.95)	-

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
22	Employee benefit expenses		
	Salaries and wages, including bonus	342.48	42.99
	Contribution to provident and other funds	27.97	1.00
	Gratuity	11.49	-
	Staff welfare expenses	16.23	76.08
	Total employee benefit expenses	398.18	120.07

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
23	Finance costs		
	Interest expense	3.74	-
	Bank Charges BG Commission	1.38	-
	Total finance cost	5.12	-

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
24	Depreciation and amortization expense		
	Depreciation of property, plant and equipment	425.73	437.68
	Amortization on right of use assets	16.20	-
	Amortization of intangible assets	1.75	-
	Total depreciation and amortization	443.69	437.68

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
25	Power and fuel expenses		
	Coal	165.79	-
	Power	529.32	-
		695.11	-

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
26	Other expenses		
	Packing materials consumed	170.45	-
	Repairs and maintenance		
	- Others	-	6.92
	Advances written off	-	6,133.15
	Rent	3.99	-
	Insurance	0.07	4.65
	Rates and taxes	220.27	11.14
	Payment to auditors as Auditor	4.00	3.50
	for Limited Review	1.00	-
	for Certification	0.20	-
	Travelling and conveyance	42.04	10.28
	Security services	109.82	45.61
	Donations	6.99	-
	Legal and other professional charges	144.99	205.57
	Administrative & Renovation expenses	594.12	110.32
	Printing and stationery	5.22	0.95
	Communication	3.28	-
	Directors sitting fees	4.00	-
	Freight inword (otherthan raw maretials)	4.33	-
	Decommissioning Exp	1.70	-
	Miscellaneous expenses	2.33	8.62
	Selling & Distribution Exp		
	Freight and forwarding expenses	547.67	-
	Selling expenses	33.70	-
	One Time Settlement to Verious Parties	-	393.07
	Success Fee	-	56.21
	License Fee	-	25.35
	Total other expenses	1,900.17	7,015.34

Panyam Cements and Mineral Industries Limited

Notes to financial statements

All amounts are in ₹ lakhs unless otherwise stated

Note	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
27	Exceptional items		
	a) Reduction of Liabilities as per approved NCLT Order		
	SBI - CC a/cs	-	254.34
	Bank Of India	-	0.35
	HP Finance	-	30.52
	NCD (Edelweiss Ground) Outstanding Balance	-	4,140.85
	Unsecured Loans Others	-	34.15
	Advances & Dealers, Trade & Caution Deposits	-	512.88
	Advance from Debtors	-	54.85
	Staff Advances	-	11.64
	Advance to Creditors & Other advances	-	36.74
	Deposits with Govt. Authorities	-	0.07
	b) Written off of Unrealised Receivables		
	Advances & Dealers Deposits	-	(28.57)
	Advance to Debtors	-	(6.73)
	Capital - WIP	-	(2,692.61)
	Non- Operative Bank Balances & Margine Money	-	(5.44)
	Staff Advances	-	(3.19)
	Advance to Creditors & Other advances	-	(136.53)
	Deposits with Govt. Authorities	-	(346.65)
	Claim Settled Agst. Counter Guarantee given to Banks on behalf of Spy Agro	-	(146.79)
	c) Written off of Fixed Assets		
	Discarded Assets	-	(395.52)
	Impairment loss of Fixed Assets	-	(2,163.81)
	Discarded Assets	(1,658.00)	-
	d) Full & Final Settlement		
	One time Settlement to Erstwhile Employees & Workers	(199.62)	-
	e) Refurbishing Cost		
	Staff Salaries	(231.60)	-
	Stores Consumption	(384.82)	-
	Repairs & Maintenance - P&M	(115.00)	-
	Repairs & Maintenance - Buildings	(163.31)	-
	Repairs & Maintenance - others	(20.91)	-
	Power	(170.75)	-
	Total	(2,944.01)	(849.45)

Explanatory notes and other information:

Refurbishment Cost: The Company was acquired by the new promoters during the financial year 2021-22 through NCLT Order. During the year under report substantial expenditure was incurred on the cement plant to make it operational and such expenditure was treated as refurbishment cost. (Refer note no 27)

Note 28: Contingent Liabilities and Commitments:

(₹ in Lakhs)

Sl. No	Particulars	As of 31 st March, 2023	As of 31 st March, 2022
1	Claims against the Company before the Labor Court, Bangalore		
	Deccan wires employees filed a case against the company, before the Industrial Tribunal, Bangalore. Nine managerial staff made a claim before the Industrial Tribunal, Bengaluru, under I.D. No.10/2010, that they are also entitled to the compensation of VRS as has been extended to the general workmen.	57.48	57.48
2.	Claims against the Company before Supreme Court.		
	SEBI penalty on non-compliances during the CIRP period and appeal made by them with Supreme Court.	14.00	14.00
3.	Claims against the Company before the National Company Law Appellate Tribunal, Chennai against the allocation of funds given in the approved resolution plan by Hon'ble NCLT, Amaravati bench.		
i)	Assistant Commissioner of Central Tax** (Excise & Service Tax)	3,122.21	3,122.21
ii)	Employees and Workmen challenging the Resolution Plan of RV & Sagar on the ground that they are not paid in accordance with law and Section 53 of IBC, 2016	1300.00	1300.00
iii)	Wage board employees filed a case against the company claiming to pay salaries during the period where the plant was non-operational.	76.56	76.56
iv)	Operational creditors challenging the Resolution Plan of RV & Sagar on the ground that they are not paid in accordance with law and Section 53 of IBC, 2016	1000.00	1000.00
v)	Employee Fund Provident Organization	722.71	722.71
vi)	Appeal filed by Southern Power Department challenging the Resolution Plan*.	4,702.24	4,702.24

Note: The National Company Law Tribunal (NCLT) Amaravathi Bench, has approved the resolution plan submitted by the Resolution Applicant and fixed up the assets and liabilities to be taken over by the Resolution Application vide their order dated 25th June, 2021 read with corrigendum order dated 10th July, 2021 and in view of this the contingent liabilities claimed by the claimants may not be maintainable, as the Company is well protected under the said NCLT Order.

Capital Commitments:

(₹ in Lakhs)

Sl. No	Particulars	As of 31 st March, 2023	As of 31 st March, 2022
1	Estimated amount of contract remaining to be executed on capital account and not provided for (turnkey contract for plant renovation)	2,139.36	11,200.57

Note 29: Additional Regulatory Information in accordance with the requirement of Schedule III:

- (i) **Title deeds of Immovable Property:**
All the immovable properties owned by the company are held in the name of the company.
- (ii) **Fair Value of Investment Property:**
The Company has no investment property held as at 31.03.2023
- (iii) **Revaluation of Property , Plant and Equipment and Intangible Assets:**
No revaluation of PPE and Intangible assets has been carried out during the year under report.
- (iv) **Loans or Advances to Promoters, Directors, KMPs and the related parties:**
During the year the company has not granted any Loans or Advances to Promoters, Directors, KMPs and the related parties.
- (v) There are no intangible assets under development.
- (vi) **Benami Property:**
During the year no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (vii) The Company has not borrowed any loans against securities of current assets.
- (viii) The company has never declared as willful defaulter by any bank or financial institution or other lender.
- (ix) During the year the company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (x) There is no charges or satisfaction to be registered with Registrar of Companies beyond the statutory period.
- (xi) The Company has no investments in subsidiaries
- (xii) **Analytical Ratios:**

Particulars	Metric	as at 31 st March 2023	as at 31 st March 2022	Variance %	Refer Note
Current Assets (a)	₹	3,915.75	994.80		
Current Liabilities (b)	₹	26,441.90	14,193.24		
Current Ratio (a/b)	Times	0.15	0.07	211.28%	1
Total Debt (Non-current + current borrowings)(c)	₹	23,050.00	14,050.00		
Shareholder's Equity (d)	₹	-11,426.76	-6,205.36		

Debt-Equity Ratio (c/d)	Times	-2.02	-2.26	89.09%	1
Earnings available for debt service (Net Profit after taxes + Non-cash expenses + interest + loss on sale of Fixed assets etc.) (e)	₹	-5,536.55	20,396.85		
Debt Service (Interest and Payments + Principal Repayments) (f)	₹	23,050.00	14,050.00		
Debt Service Coverage Ratio (e/f)	Times	-0.24	1.45	-16.55%	1
Net Profit after taxes (g)	₹	-5,985.35	20,274.74		
Average Shareholder's Equity ({Opening + Closing}/2) (h)	₹	-8,816.09	-16,353.02		
Return on Equity Ratio (g/h)	Times	0.68	-1.24	-54.76%	1
Cost of goods sold (i)	₹	3,660.32	-		
Average Inventory ({Opening + Closing}/2) (j)	₹	586.09	486.31		
Inventory Turnover Ratio (i/j)	Times	6.25	-	0	1
Net Sales (k)	₹	3,885.76	-		
Average Accounts Receivable ({Opening + Closing}/2) (l)	₹	68.68	1,174.49		
Trade receivables turnover Ratio (k/l)	Times	56.58	-	0	1
Net Purchases (m)	₹	4,648.45	63.74		
Average Accounts Payables ({Opening + Closing}/2) (n)	₹	1,515.48	1,328.57		
Trade Payables turnover Ratio	Times	3.07	0.05	6393.53%	1
Net Sales (o)	₹	3,885.76	-		
Working Capital (Current assets - Current liabilities) (p)	₹	-22,526.15	-13,198.44		
Net Capital turnover Ratio (o/p)	Times	-0.17	-	0	1
Net Profit after Tax	₹	-5,985.35	20,274.74		
Net Sales	₹	3,885.76	-		
Net Profit Ratio (q/r)	Times	-1.54	-	0	1
Earnings before interest and Taxes (s)	₹	-5,980.24	19,959.17		
Capital Employed (Net Worth + Total Debt + Deferred Tax Liability) (t)	₹	11,623.19	7,844.64		
Return on Capital employed (s/t)	Times	-0.51	2.54	-20.22%	1
Net Profit (u)	₹	-5,985.35	20,274.74		
Net Worth (v)	₹	-11,426.81	-6,205.36		
Return on investment (u/v)	Times	0.52	-3.27	-16.03%	1

Note:

- During the current financial year ended, March 31, 2023, there has been a significant increase in the all analytical/ financial ratios, as the company was acquired by the new management in the financial year 2021-22 through NCLT and the new management carried out the repairs, renovations and refurbishment of the plant and no production/ operational activities were done in that previous financial year, the company started its operations in the current financial year.

- (xiii) There are no scheme of arrangements approved by the competent authority under section 232 to 237 of the companies' act, 2013 to be accounted during the year.
- (xiv) **Utilization of borrowed funds and share premium:**
During the year the company has not received any funds from any person/ entity including foreign entities with understanding of investing/ lending/ garneting to any other party/ entity.
- (xv) **Undisclosed Income:**
There are no transactions not recorded in books of accounts that has been surrendered/ disclosed as income during the year in the income tax assessments under Income Tax Act, 1961.
- (xvi) **Corporate Social Responsibility:**
The company is not obligated to comply with section 135 of Companies Act, 2013.
- (xvii) **Virtual Currency/ Crypto Currency transactions:**
During the year the company has not entered into any transactions involving crypto currency/ virtual currency.

Disclosers in accordance with accounting standards

Note 30: Segment Reporting

The business activity and geographical operations of the company is in one segment of cement product and hence segment reporting is not applicable.

Note 31: Related party transactions:

a) Names of related parties and description of relationship:

Description of Relationship	Name of related party
Companies controlled by key management personal / relatives	J Hotels Private Limited
	The Chrome Leather Company Limited
	Accord Energy Corporation India Private Limited
	Accord Distillers & Brewers Private Limited
	Fortune Distillers and Vintners Private Limited
	Teyro Labs Private Limited
	Jr Super Speciality Hospitals Private Limited
	Chandrakala Resort Hotels Private Limited
	Jasan Defence And Aerospace Systems Private Limited
	Sam Tools Private Limited
	New Delta Gear Manufacturers Private Limited
	Rihas Pharma Private Limited
	Rihas Cosmetics Private Limited
	Anujasan Private Limited
	Jasan Infra Private Limited
	Shooting Star Foods Private Limited
Vega Maintenance and Services Private Limited	
Antares Constructions and Developers Private Limited	

	Rihas Pharma Private Limited
	Cartwheel Hospitality Services Private Limited
	NJK Pharma Private Limited
	R V Consulting Services Pvt Ltd
	Sagar Power Limited
	Sagar Cements Limited
Directors	Mrs. Srinisha Jagathrakshakan (Managing Director)
	Mr. Narayanasamy Elamaran (Director)
	Mr. Ramachandran Balachandran (Independent Director)
	Mr. Vasudevan Raghavan (Independent Director)
	Mr. Asuri Ramesh Sholinghur (Independent Director)
Implementation & Monitoring Committee Members	Mr. Sammidi Sreekanth Reddy
	Mr. Akella Peri Srinivas
	Mr. Bhruagesh Amin
	Mr. Prasad Kolluru
Key Management Personnel	Mr. Sai Prashanth Gujja - CS (From 13.01.2023)
	Ms. Diya Venkatesan - CS & CFO (Up to 05.01.2023)
Other Related Personal	Mr. Jagathrakshakan Swamikannu (Relative of MD)

b) Summary of transactions with the related parties is as follows:

(₹ in Lakhs)

Sl. No.	Nature of Transaction	Transaction Value for the Year ended		Balance as at	
		2022-23	2021-22	31.03.2023	31.03.2022
Transactions with Enterprises where significant influence/control of key managerial personnel or their relatives exists					
1	Purchase of Clinker from Sagar Cements Ltd	3,310.82	81.59	2,288.73	81.59
2	Amount received for implementation of resolution plan approved by the Hon'ble NCLT submitted by RV consulting Services Pvt Ltd & Sagar Power Ltd jointly	NIL	10,050.00	10,050.00	10,050.00
3	Amount payable to RV consulting Services Pvt Ltd as part of Turnkey contract for repairs and renovation of the plant	9,061.31	(1,790.10)	(112.93)	(1,790.10)
4	Inter corporate deposits received from JR Super Speciality Hospitals Pvt Ltd	2,700.00	4,000.00	6,700.00	4,000.00
5	Inter corporate deposits received from The Chrome Leather Company Limited	6,300.00	0.00	6,300.00	0.00
Transactions with Key Management Personnel					
6	Remuneration to Key Management personnel	11.56	NIL	11.56	NIL

Figures have been rounded off to the nearest decimal of Lakhs under Notes to Accounts. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 32: Fair value measurements**a) Financial instruments by category**

The carrying value of financial instruments by categories as of March 31, 2023, is as follows:
(₹ in Lakhs)

Particulars	FVTPL	FVTOCI	Amortized cost	Total
Financial assets:				
Investments				
Equity instruments		5.50	-	5.50
Trade receivables		-	137.37	137.37
Cash and cash equivalents		-	242.71	242.71
Bank balances other than Cash and cash equivalents		-	554.65	554.65
Loans		-	-	-
Other financial assets		-	238.14	238.14
Total Financial assets		5.50	1,172.86	1,178.36
Financial Liabilities:				
Borrowings		-	23,050.00	23,050.00
Trade payables		-	2,949.38	2,949.38
Other financial liabilities		-	228.17	228.17
Total Financial liabilities		-	26,227.55	26,227.55

The carrying value of financial instruments by categories as of March 31, 2022 is as follows:
(₹ in Lakhs)

Particulars	FVTPL	FVTOCI	Amortized cost	Total
Financial assets:				
Investments				
Equity instruments		3.63	-	3.63
Trade receivables		-	-	-
Cash and cash equivalents		-	705.17	705.17
Bank balances other than Cash and cash equivalents		-	-	-
Loans		-	-	-
Other financial assets		-	202.89	202.89
Total Financial assets		3.63	908.07	911.70
Financial Liabilities:				
Borrowings		-	14,050.00	14,050.00
Trade payables		-	81.59	81.59
Other financial liabilities		-	-	-
Total Financial liabilities		-	14,131.59	14,131.59

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as of 31st March 2023:

Fair value measurement

(₹ in Lakhs)

	Level - 1	Level - 2	Level - 3	Total
Financial assets				
Financial instruments at FVTOCI Investments in Quoted equity instruments				
equity shares of Bank of Baroda	5.50	-	-	5.50
Total Financial assets	5.50	-	-	5.50

Quantitative disclosures fair value measurement hierarchy for assets as of 31st March 2022:

Fair value measurement (₹ in Lakhs)

	Level - 1	Level - 2	Level - 3	Total
Financial assets				
Financial instruments at FVTOCI Investments in Quoted equity instruments				
equity shares of BOB (effective 01.04.2019 Vijaya Bank Ltd merged with Bank Of Baroda)	3.63	-	-	3.63
Total Financial assets	3.63	-	-	3.63

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Note: There are no transfers between levels 1, 2 and 3 during the year.

Note 33: Capital Management & Risk management Capital management

The Company being in a capital-intensive industry, its objective is to maintain a strong credit rating healthy capital ratio and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk."

Gearing ratio

The Company monitors its capital using gearing ratio, which is total debt divided to total equity as given below:

Particulars	As at 31 st March,2023	As at 31 st March 2022
Total Debt*	23,050.00	14,050.00
Less: Cash & short term deposits	242.71	705.17
Net Debt	22,807.29	13,344.83
Equity share capital	802.14	40.11
Other equity	(12,228.95)	(6,245.47)
Total equity	(11,426.81)	(6,205.36)
Debt/ Equity ratio	(2.00)	(2.15)

*Total Debt is defined as Short-term borrowings.

Financial risk management and objectives and policies

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements. The Company activities exposed it to market risk (including price risk), credit risk and liquidity risk. A Special Team with Senior Executives having exposure in various fields is going to be formed to assist Managing director in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organization faces such as market risk(including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and an adequate risk management infrastructure to be in place capable of addressing those risks. The Managing Director and CFO, monitors and reports on the principal risks and uncertainties that can impact the company and its ability to achieve strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

A. Market risk

"Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and equity prices. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables and investments."

The Company's investments in listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The Company's Board of Directors reviews and approves all equity investment decisions.

B. Credit risk

"Credit risk refers to the risk that the counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, steps will be taken by the Marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company,

the sales are backed by letters of credit or advance receipts. The marketing team of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken.

C. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date. (₹ in Lakhs)

Particulars	On demand	< 1 Year	1-5 Years	5 + Years	Total
As at 31st March, 2023					
Non-current Liabilities	-	-	-	-	-
Other financial liabilities	-	-	22.86	-	22.86
Total non-current financial liabilities	-	-	22.86	-	22.86
Current borrowings	-	23,050.00	-	-	23,050.00
Trade payables	-	2,949.38	-	-	2,949.38
Other current financial liabilities	-	205.31	-	-	205.31
Total current financial liabilities	-	26,204.69	-	-	26,204.69
As at 31st March, 2022					
Borrowings	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total non-current financial liabilities	-	-	-	-	-
Current borrowings	-	14,050.00	-	-	14,050.00
Trade payables	-	81.59	-	-	81.59
Other current financial liabilities	-	-	-	-	-
Total current financial liabilities	-	14,131.59	-	-	14,131.59

Note 34: Leases.

Nature of Lease activity by the company-

Operating lease commitments:

The Company's lease asset primarily consist of leases for buildings. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date.

The Company measures the lease liability 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. If that rate cannot be readily determined, the Company uses incremental borrowing rate

- (a) Movement in lease liabilities during the year ended 31st March 2023 and 31st March 2022. (₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Opening Balance	-	-
Additions	55.56	-
Finance cost accrued during the year	3.74	-
Payment to lease liabilities	(16.65)	
Total	42.65	-

- (b) Maturity analysis of lease liabilities– contractual undiscounted cash flows: (₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Less than one year	19.79	-
One to five years	22.86	-
More than five years	-	-
Total	42.65	-

The total cash outflow for leases for year ended March 31, 2023 is Rs.16,65,000 (March 2022 Nil)

- Note 35:** IND AS 12 Income Taxes during the year under report there is no current tax liability since the company incurred loss for the year.

Deferred tax assets are not recognized for unused tax losses considering the probability of non-available of taxable profits in the near future to recover the differed tax asset.

Note 36: IND AS 19 Employee Benefits:

Defined Contribution Plans:

(₹ in Lakhs)

S.No.	Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
1	Contribution to Provident fund	28.20	-
2	Contribution to Employee State Insurance	1.57	-

Note 37: Earnings per share:

(₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
(A) Basic EPS:	(376.18)	5,055.15
(i) Net Profit/(Loss) attributable to Equity Shareholders	(5,985.35)	20,274.74
(ii) Weighted average number of Equity Shares outstanding (Nos.)	80,21,401	4,01,071
(B) Diluted EPS:	(376.18)	202.76
(i) Net Profit/ (Loss) attributable to Equity Shareholders	(5,985.35)	20,274.74
(ii) Weighted average number of Equity Shares outstanding (Nos.)	80,21,401	4,01,071

Note 38: Dues to Micro, Small and Medium Enterprises.

I)	Principal amount remaining unpaid as on 31 st March, 2023	NIL	NIL
II)	Interest due thereon as on 31 st March, 2023	NIL	NIL
III)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the suppliers beyond the appointed day during the year.	NIL	NIL
IV)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	NIL	NIL
V)	Interest accrued and remaining unpaid as at 31 st March, 2023	NIL	NIL
VI)	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 enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	NIL	NIL
VII)	Amount shown against dues to Micro, Small and Medium Enterprises under the head Trade Payables represents amount outstanding as on 31 st March, 2023 which is not due for payment.	NIL	NIL

Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

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. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

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. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

As per our attached report of even date For and on behalf of the Board

M/s Panyam Cements & Mineral Industries Limited

For K S Rao & Co

Chartered Accountants
Firm’s Regn No.003109S

Sd/- (CA P. GOVARDHANA REDDY) Partner Membership No.029193	Sd/- Jagathrakshakan Srinisha Managing Director DIN: 01728749	Sd/- Narayanasamy Elamaran Director DIN: 01744259
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Place: Hyderabad
Date: September 04, 2023.