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CORPORATE INFORMATION

CIN : U26941AP2007PTC053611

BOARD OF DIRECTORS

Mr. N. VENKAT RAJU

Managing Director
(appointed w.e.f. December 13, 2021)

Mr. M L KUMAVAT

Non Executive Director
(appointed w.e.f. June 7, 2021)

Mr. MAGANTHI SATYANARAYANA MURTHY

Non Executive- Independent Director
(appointed w.e.f. June 7, 2021)

Mrs. V. VALLIAMMAI

Non Executive- Independent Director
(appointed w.e.f. June 16, 2021)

Mr. SUBRAMANYA RAO SANDEEP

Non Executive- Non Independent Director
(appointed w.e.f. August 9, 2021)

Mr. PALANI RAMKUMAR

Non Executive- Non Independent Director
(appointed w.e.f. August 9, 2021)

Mr. V ANANDA PRASAD

Managing Director (resigned on June 16, 2021)

Mr. P SHIVA KUMAR

Whole-time Director (resigned on June 7, 2021)

Mr. V ADITYA

Director (resigned on June 16, 2021)

Mrs V KRISHNA KUMARI

Director (resigned on June 7, 2021)

KEY MANAGERIAL PERSONNEL

Mr. M. SRI KRISHNA CHAITANYA

Chief Financial Officer

Ms. POOJA SHAH*

Company Secretary

Mrs. JYOTI AGARWAL SINGHAL**

Company Secretary

**resigned as Company Secretary on 21.01.2022*

***appointed as Company secretary w.e.f. 07.07.2022*

STATUTORY AUDITORS

M/s. Ramanatham & Rao, Chartered Accountants
P.B. No. 2102, Flat #302,
Kala Mansion, Sarojini Devi Road,
Hyderabad- 500 003
Email- ramanathanand Rao@gmail.com

INTERNAL AUDITORS

M/s. M. Bhaskara Rao & Co, Chartered Accountants
5-D, Fifth Floor, "Kautilya",
6-3-652, Somajiguda,
Hyderabad- 500082
Email: mbr_co@mbrc.co.in

COST AUDITORS

M/s. S R and Associates, Cost Accountants
F 26, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad- 500001
Email:associatesofsr@gmail.com

SECRETARIAL AUDITORS

M/s. P.S.Rao&Associates., Company Secretaries
Flat No. 10, 4th Floor, #6-3-347/22/2,
Ishwarya Nilayam, Opp; Sai Baba Temple,
Dwarakapuri Colony, Panjagutta,
Hyderabad- 500082
Email: csvanitha19@gmail.com

REGISTERED OFFICE AND WORKS

Tangeda Village, Dacheppally Mandal
Guntur District, Andhra Pradesh - 522 414
Phone: 08649-273900
Fax: 08649-273819
Email: hrworks@bhavyacement.s.in

CORPORATE OFFICE

Unit No. C2, 2nd Floor,
Quena Square,
Taj Deccan Road, Erramanzil,
Hyderabad, Telangana- 500082
Phone: 040-23553864/65
Email: companysecretary@bhavyacement.s.in

BANKERS

HDFC Bank Limited

REGISTRAR & TRANSFER AGENT

KFin Technologies Limited

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PERFORMANCE AT A GLANCE

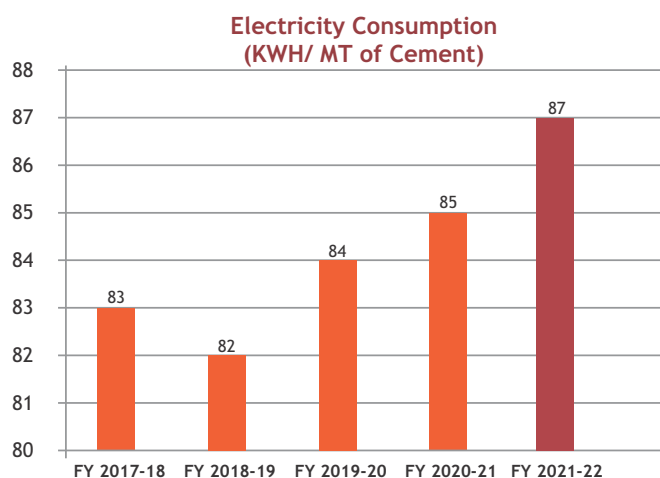
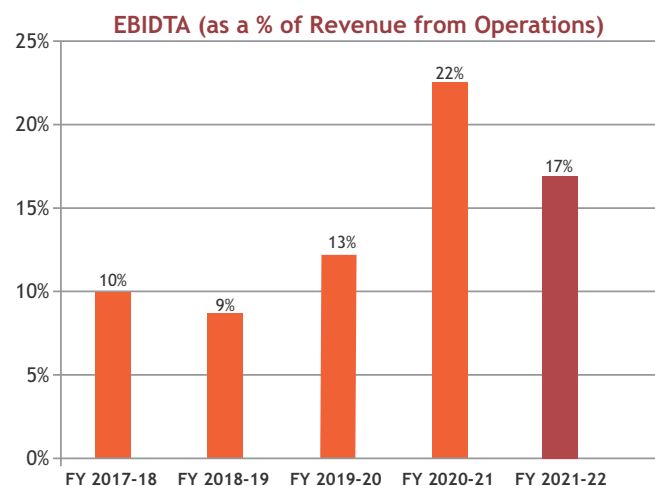
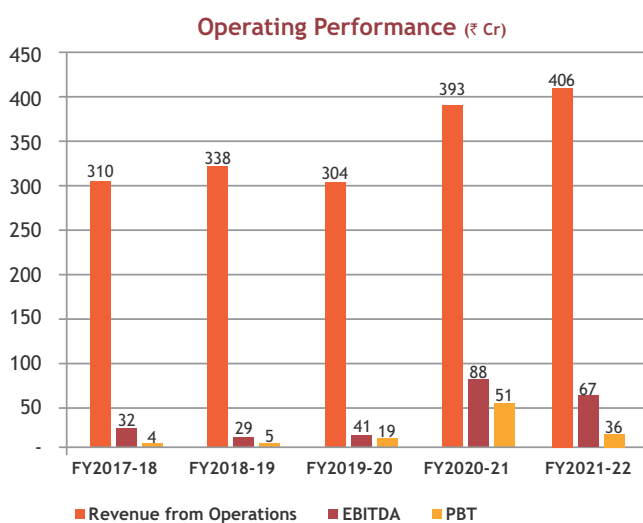
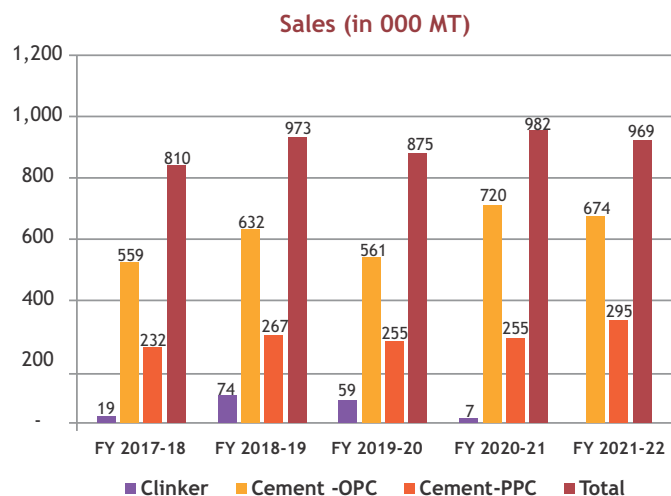
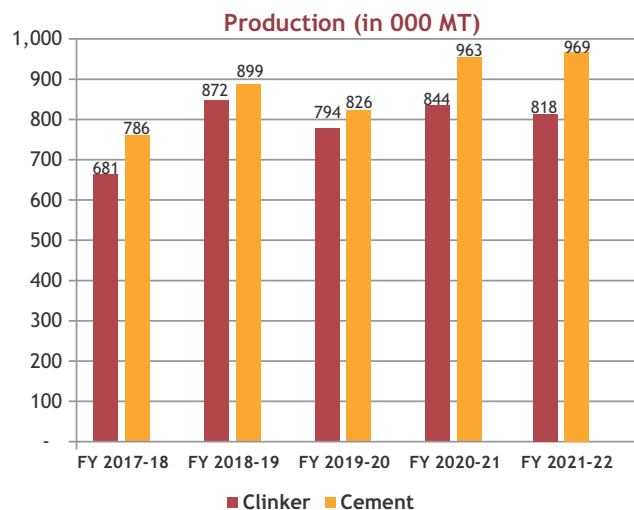
Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
PRODUCTION in MT's					
Cement	786,172	898,889	825,607	962,686	968,659
Capacity Utilization (%)	56%	64%	59%	69%	69%
SALES IN MT's					
Cement & Clinker	809,777	972,734	874,580	981,591	969,204

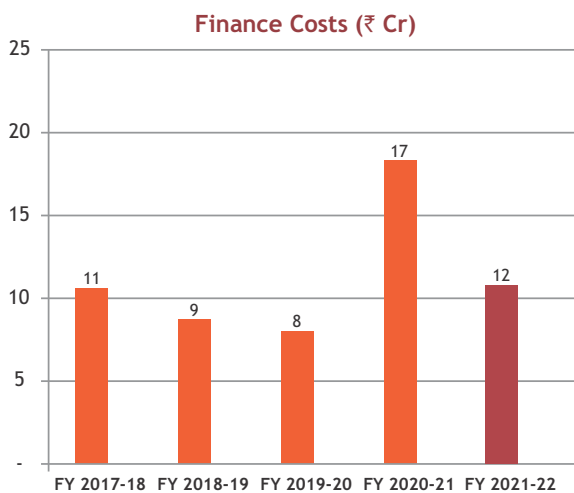
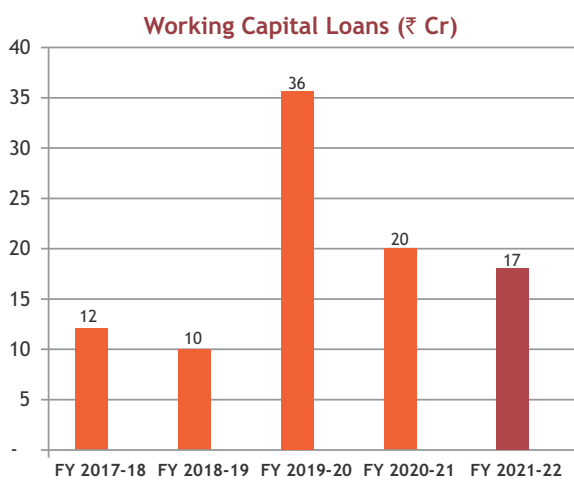
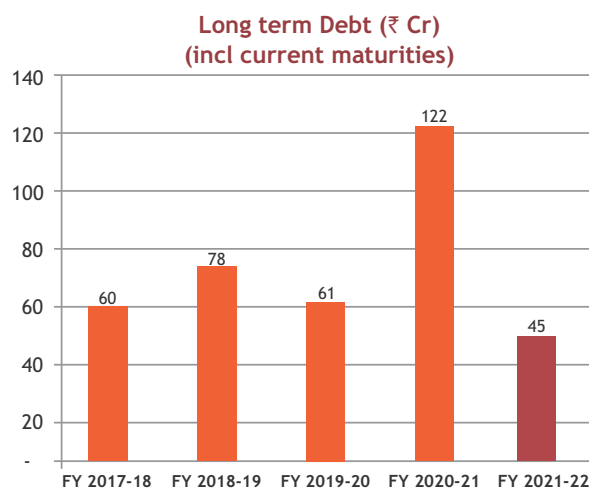
FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Turnover (Gross)	31,003	33,769	30,390	39,344	40,636
EBITDA	3,168	2,935	4,075	8,847	6,745
Finance Costs	1,138	916	751	1,401	1,159
Depreciation	1,638	1,490	1,415	2,391	1,987
Profit/(Loss) Before Tax	393	530	1,908	5,054	3,600
Provision for Taxation					
- Current Tax	88	188	305	808	866
- Deferred Tax	54	4	281	494	-7
Net Profit/(Loss) After Tax	250	338	1,323	3,752	2,741
Cash Profit	1,942	1,832	3,019	6,637	4,721
PAID - UP SHARE CAPITAL	7,960	7,960	11,193	13,992	13,232
RESERVES & SURPLUS	5,154	5,492	3,582	4,449	3,059
RATIOS					
EBITDA to Gross Sales (%)	10.22%	8.69%	13.41%	22.49%	16.60%
PBT to Gross Sales (%)	1.27%	1.57%	6.28%	12.85%	8.86%
EPS (in ₹)	0.31	0.42	1.18	2.68	1.96
Debt to Equity	0.55	0.54	0.66	0.74	0.38
Book Value per Share (in ₹)	16.47	16.90	13.20	13.18	12.31
Dividend (%)	Nil	Nil	Nil	Nil	Nil

PERFORMANCE HIGHLIGHTS





“The revenues of the company stood at ₹406.36 Cr during the current year, i.e., FY 2021-22 as against ₹393.44 Cr during the previous year, i.e., FY 2020-21. The increase in topline during the current year is due to increase in sales realizations when compared to the previous year.

The company has achieved an EBITDA of ₹67.45 Cr (Previous Year: ₹88.47 Cr) and Sales volumes of 9,69,204 MT (Previous Year: 9,81,591 MT) during the FY 2021-22. Reduction in EBITDA margins is primarily attributable to increase in fuel costs, on account of higher coal prices.”

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 15th Annual General Meeting of Bhavya Cements Private Limited (CIN: U26941AP2007PTC053611) (formerly known as Bhavya Cements Limited) will be held on Wednesday, September 28, 2022 at 10:30 A.M. at the Registered Office of the Company at Tangeda Village, Dachepally Mandal, Guntur District, Andhra Pradesh - 522 414 to transact the following business :

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and the Auditors' thereon.**

2. **To appoint the Statutory Auditors of the Company and fix their remuneration:**

To consider and, if thought fit, to pass with or without modification(s), following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014 as amended from time to time or any other law for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), M/s. Ramanatham & Rao, Chartered Accountants, (FRN: S-002934) who have given consent for their appointment and have confirmed their eligibility to be appointed as Statutory Auditors, be and are hereby appointed as Statutory Auditors of the Company from the conclusion of the 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting, at such remuneration as may be agreed upon between the Auditors and the Board of Directors, in addition to actual out-of-pocket expenses incurred by them for the purpose of audit and the applicable taxes.”

RESOLVED FURTHER THAT the Managing Director or any other director of the Company be and are hereby severally authorized to do all necessary acts, deeds, matters and things as may be considered necessary,

expedient and desirable to give effect to this resolution.”

SPECIAL BUSINESS:

3. **To ratify remuneration to Cost Auditors :**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force) and the Companies (Cost Records and Audit Rules), 2014 as amended from time to time, the Company hereby ratifies the remuneration of ₹2,00,000/- (Rupees Two Lakhs Only) plus applicable taxes and reimbursement of out of pocket expenses actually incurred and payable to M/s. Narshimha Murthy & Co., Cost Accountants (Firm Registration Number 000042), who have been appointed by the Board of Directors on recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the financial year ending March 31, 2023.

RESOLVED FURTHER THAT the Managing Director or any other director of the Company be and are hereby severally authorized to do all necessary acts, deeds, matters and things as may be considered necessary, expedient and desirable to give effect to this resolution.”

4. **To appoint Mrs. Valliammai Valliappan (DIN: 01197421) as an Independent Director of the Company**

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and

NOTICE TO THE SHAREHOLDERS

the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee, Mrs. V. Valliammai (DIN: 01197421) who was appointed as an Additional Director, in an Independent capacity, of the Company with effect from June 16, 2021 by the Board of Directors of the Company pursuant to Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office as such upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) years from June 16, 2021, and that she is not liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

5. Appointment of Mr. Maganthi Satyanarayana Murthy (DIN: 01612799) as an Independent Director of the Company

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee, Mr. Maganthi Satyanarayana Murthy (DIN: 01612799) who was appointed as an Additional Director, in an

Independent capacity, of the Company with effect from February 02, 2022 by the Board of Directors of the Company pursuant to Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office as such upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) years from February 02, 2022, and that he is not liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

6. Appointment of Mr. N. Venkat Raju (DIN: 08672963) as Director of the Company :

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 149, 152 of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, including any statutory modification or re-enactment thereof for the time being in force, Mr. N. Venkat Raju (DIN: 08672963), who was appointed as an Additional Director, in an Executive capacity, of the Company with effect from December 13, 2021 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company by the Board of Directors of the

NOTICE TO THE SHAREHOLDERS

Company, and whose term of office expires at the ensuing Annual General Meeting and in respect of whom, the Company has received a notice under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

7. Appointment of Mr. N. Venkat Raju (DIN:08672963) as Managing Director of the Company:

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 196, 197, 198 and 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, rules, if any, of the Act (including any statutory modification or re-enactment thereof, for the time being in force) and Articles of Association of the Company, the consent of the members be and is hereby accorded for the appointment of Mr. N. Venkat Raju (DIN: 08672963), as Managing Director of the Company, without remuneration, to hold office for a period of five years with effect from December 13, 2021 and whose office shall be liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds

and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

8. Appointment of Mr. Palani Ramkumar (DIN: 09207219) as Director of the Company :

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 149, 152, of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, including any statutory modification or re-enactment thereof for the time being in force, Mr. Palani Ramkumar (DIN: 09207219), who was appointed as an Additional Director, in a Non-executive capacity, of the Company with effect from August 09, 2021 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company by the Board of Directors of the Company, and whose term of office expires at the ensuing Annual General Meeting and in respect of whom, the Company has received a notice under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

NOTICE TO THE SHAREHOLDERS

9. Appointment of Mr. Subramanya Rao Sandeep (DIN: 09207372) as Non- Executive Director of the Company :

To Consider and if thought fit, to pass with or without modifications (s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 149, 152, of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, including any statutory modification or re-enactment thereof for the time being in force, Mr. Subramanya Rao Sandeep (DIN: 09207372), who was appointed as an Additional Director, in a Non-executive capacity, of the Company with effect from August 09, 2021 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company by the Board of Directors of the Company, and whose term of office expires at the

ensuing Annual General Meeting and in respect of whom, the Company has received a notice under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation.”

RESOLVED FURTHER THAT any one of the Director or the Company Secretary of the Company be and are hereby severally authorized to do all the acts, deeds and things as deem necessary, proper or desirable and to sign, execute all necessary documents, applications, returns along with filing of necessary e-forms with the Registrar of Companies in connection with the said appointment.”

By the order of the Board
For **Bhavva Cements Private Limited**

Jyoti Agarwal Singhal
Company Secretary

Place: Chennai
Date: August 02, 2022

NOTES

1. The relative explanatory statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No.3to 9 of the accompanying Notice are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company.
3. The instrument appointing the Proxy, in order to be effective, should be deposited, duly complete and signed, at the Registered Office of the Company not less than (48) forty-eight hours before the scheduled start of the meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. **MGT-11** annexed herewith.
5. Members/Proxies are requested to bring their duly filled Attendance Slip along with the copy of the Annual Report to the Meeting.
6. Member(s) are requested to notify immediately their email address and any change in their address to the Company at the Registered Office.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.
9. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
10. Authorized representatives of Corporate Members should carry a certified true copy of the Board Resolution/Power of Attorney authorizing them to attend and vote at the Meeting.
11. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2022 to September 28, 2022 (both days inclusive). September 16, 2022 shall be the cut-off date as on which the right of voting of the Members shall be reckoned and a person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
12. In compliance with the MCA General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars"), Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.bhavyacements.com.
13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date September 16, 2022.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No: 3

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Narasimha Murthy & Co., Cost Accountants (Firm Registration Number 000042), to conduct the Cost Audit of the Cost Records of the Company at a remuneration of ₹2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses for the Financial Year 2022-23.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2022-23 as set out in the Resolution for the aforesaid services to be rendered by them.

The Board recommends the Resolution set out in Item No.3 for approval by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

Item No: 4

The Board of Directors of the Company appointed pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs. V. Valliammai as an Additional Director, in an Independent capacity of the Company with effect from June 16, 2021. In terms of provisions of Section 161(1) of the Act, Mrs. V. Valliammai would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mrs. V. Valliammai for the office of Independent Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its board. As per the said Section 149, an Independent Director can hold office for a term up to five (5) consecutive years on the Board of a Company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. V. Valliammai that she meets the criteria of independence as prescribed under Sub-Section (6) of Section 149 of the Act.

In the opinion of the Board of Directors of the Company Mrs. V. Valliammai fulfills the conditions in the Companies Act, 2013 and rules made thereunder as Independent Directors and she is independent of the Management of the Company. The Board of Directors have recommended the appointment of Mrs. V. Valliammai as an Independent Director of the company for a period of five years from the June 16, 2021.

The Board recommends the Resolution set out in Item No.4 for approval by shareholders.

Except for Mrs. V. Valliammai, none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of these resolutions

Item No: 5

The Board of Directors of the Company appointed pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Maganthi Satyanarayana Murthy as an Additional Director, in an independent capacity, of the Company with effect from February 02, 2022. In terms of provisions of Section 161(1) of the Act, Mr. Maganthi Satyanarayana Murthy would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Maganthi Satyanarayana Murthy for the office of Independent Director of the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its board. As per the said Section 149, an Independent Director can hold office for a term up to 5 consecutive years on the Board of a Company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Maganthi Satyanarayana Murthy that he meets the criteria of independence as prescribed under Sub-Section (6) of Section 149 of the Act.

In the opinion of the Board of Directors of the Company Mr. Maganthi Satyanarayana Murthy fulfills the conditions in the Companies Act, 2013 and rules made thereunder as Independent Directors and he is independent of the Management of the Company. The Board of Directors have recommended the appointment of Mr. Maganthi Satyanarayana Murthy as an Independent Director of the company for a period of five years from the February 02, 2022.

The Board recommends the Resolution set out in Item no.5 for approval by shareholders.

Except for Mr. Maganthi Satyanarayana Murthy, none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of these resolutions

Item No: 6 & 7

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors had appointed Mr. N. Venkat Raju (DIN: 08672963) as an Additional Director, in an Executive capacity of the Company with effect from December 13, 2021.

Mr. N. Venkat Raju aged 62 years is M.Sc. Chemistry from Andhra University, Visakhapatnam. Further he is a Certified Energy Manager from Bureau of Energy Efficiency, Ministry of Power, Govt. of India. He is having overall experience of 37 years in Cement Industry.

In terms of provisions of Section 161(1) of the Act, Mr. N. Venkat Raju would hold office upto the date of the ensuing Annual General Meeting. The Company has received a

notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. N. Venkat Raju as a Director of the Company. Mr. N. Venkat Raju is not disqualified from being appointed as a director in terms of Section 164(2) of the Act and has given his consent to act as a Director.

Further, the Board of Directors had appointed Mr. N. Venkat Raju as Managing Director on December 13, 2021, for a period of 5 years subject to the approval of shareholders at Annual General Meeting and without any remuneration during the tenure of his office.

The Board recommends the Resolution set out in Item No. 6 & 7 for approval by shareholders.

Except Mr. N. Venkat Raju, none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of this resolution.

Item No: 8

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors had appointed Mr. Palani Ramkumar as an Additional Director, in a Non-Executive capacity of the Company with effect from August 09, 2021.

In terms of provisions of Section 161(1) of the Act, Mr. Palani Ramkumar would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Palani Ramkumar as a Director of the Company. Mr. Palani Ramkumar is not disqualified from being appointed as a director in terms of Section 164(2) of the Act and has given his consent to act as a Director.

The Board recommends the Resolution set out in Item No.8 for approval by shareholders.

Except for Mr. Palani Ramkumar and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No: 9

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors had appointed Mr. Subramanya Rao Sandeep as an Additional Director, in a Non-Executive capacity of the Company with effect from August 09, 2021.

In terms of provisions of Section 161(1) of the Act, Mr. Subramanya Rao Sandeep would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Subramanya Rao Sandeep as a Director of the Company. Mr. Subramanya Rao Sandeep is not disqualified from being appointed as a director in terms of Section 164(2) of the Act and has given his consent to act as a Director.

The Board recommends the Resolution set out in Item No.9 for approval by shareholders.

Except for Mr. Subramanya Rao Sandeep and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

ANNEXURE TO THE NOTICE

A STATEMENT GIVING ADDITIONAL DETAILS OF THE DIRECTORS SEEKING APPOINTMENT AND REAPPOINTMENT AS SET OUT AT ITEMS NO 4 TO 9 OF THE NOTICE:

Details of Director(s) seeking appointment / re-appointment at the forthcoming Annual General Meeting
[Pursuant to Secretarial Standard -2 on General Meeting]

Nature of Information	Item No.4 of the Notice	Item No.5 of the Notice	Item No.6 & 7 of the Notice	Item No.8 of the Notice	Item No.9 of the Notice
Name of the Directors	Mrs. V. Valliammai	Mr. Satya Narayan Murthy	Mr. N Venkat Raju	Mr. Ramkumar Palani	Mr. Subramanya Rao Sandeep
Director Identification Number (DIN)	01197421	01612799	08672963	09207219	09207372
Date of Birth	24/01/1975	23/05/1969	30/09/1960	27/12/1983	23/05/1980
Date of first appointment on Board	16/06/2021	02/02/2022	13/12/2021	09/08/2021	09/08/2021
Qualification	Chartered Accountant	B.E., Mechanical Engineering from Annamalai University, Tamil Nadu M.S, Industrial Technology , USA	M.Sc Chemistry from Andhra University, Visakhapatnam Certified Energy Manager from Bureau of Energy Efficiency, Ministry of Power, Govt. of India.	B.E from C.I.T, Coimbatore and Post Graduation in Management from I.I.T Kanpur.	Chartered Accountant from ICAI, India, who has also cleared Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA) exams conducted by IIA, Florida, US and ISACA Schaumburg, US.
Nature of expertise is specific functional areas	Her core areas of expertise include debt financing and project management. She is currently serving as the Chief Financial Officer at Chettinad	His areas of expertise are majorly with Business Strategy, Consulting different heads of business unit and in the area of construction.	He has an overall experience of 39 years out of which 37 years of vast experience pertains to Cement Industry and is mainly responsible for Operations,	He has a vast experience in the field of supply chain and is a Supply chain leader with proven expertise in commodity procurement and logistics. He has handled supply	A strategic planner with proven ability to strategize sales and improve operations and maximize profits through cost reductions and internal controls with

ANNEXURE TO THE NOTICE

	Super Specialty Hospital.		Process, Quality Assurance & Administration of the cement plant and allied activities which encompasses the entire operations of a Cement Plant. He is a veteran in the Industry and ideally suited for the post.	chain-oriented assignments in leading corporate like Dalmia cement, Prism cement and Vedanta.	over 16 years of audit experience and finance function experience.
Terms and conditions for reappointment	<p>She is a Non-Executive Independent Director of the Company.</p> <p>She is required to comply with the applicable provisions of the Companies Act.</p> <p>She will serve for a terms of 5 (five) years commencing from June 16, 2021, whose period of office will not be liable to determination by retirement of Directors by rotation.</p>	<p>He is a Non-Executive Independent Director of the Company.</p> <p>He is required to comply with the applicable provisions of the Companies Act and will serve for a terms of 5 (five) years commencing from February 02, 2022, whose period of office will not be liable to determination by retirement of Directors by rotation.</p>	<p>He is an Executive Director of the Company whoshall be liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.</p>	<p>He is a Non-Executive Non-Independent Director of the Company, who shall be liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.</p>	<p>He is a Non-Executive Non-Independent Director of the Company, who shall be liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.</p>

ANNEXURE TO THE NOTICE

Remuneration	The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company	The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company	Appointed as Managing Director of the Company without remuneration.	The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company	The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company
Relationship with other Directors, and Key Managerial Personnel of the Company	None	None	None	None	None
Number of Board Meeting attended during the year	6	6	2	4	4
Directorships held in other companies	2	3	1	Nil	Nil
Memberships/Chairmans hips of Committees of other companies	2	Nil	2	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil	Nil	Nil

By the order of the Board
For Bhavya Cements Private Limited

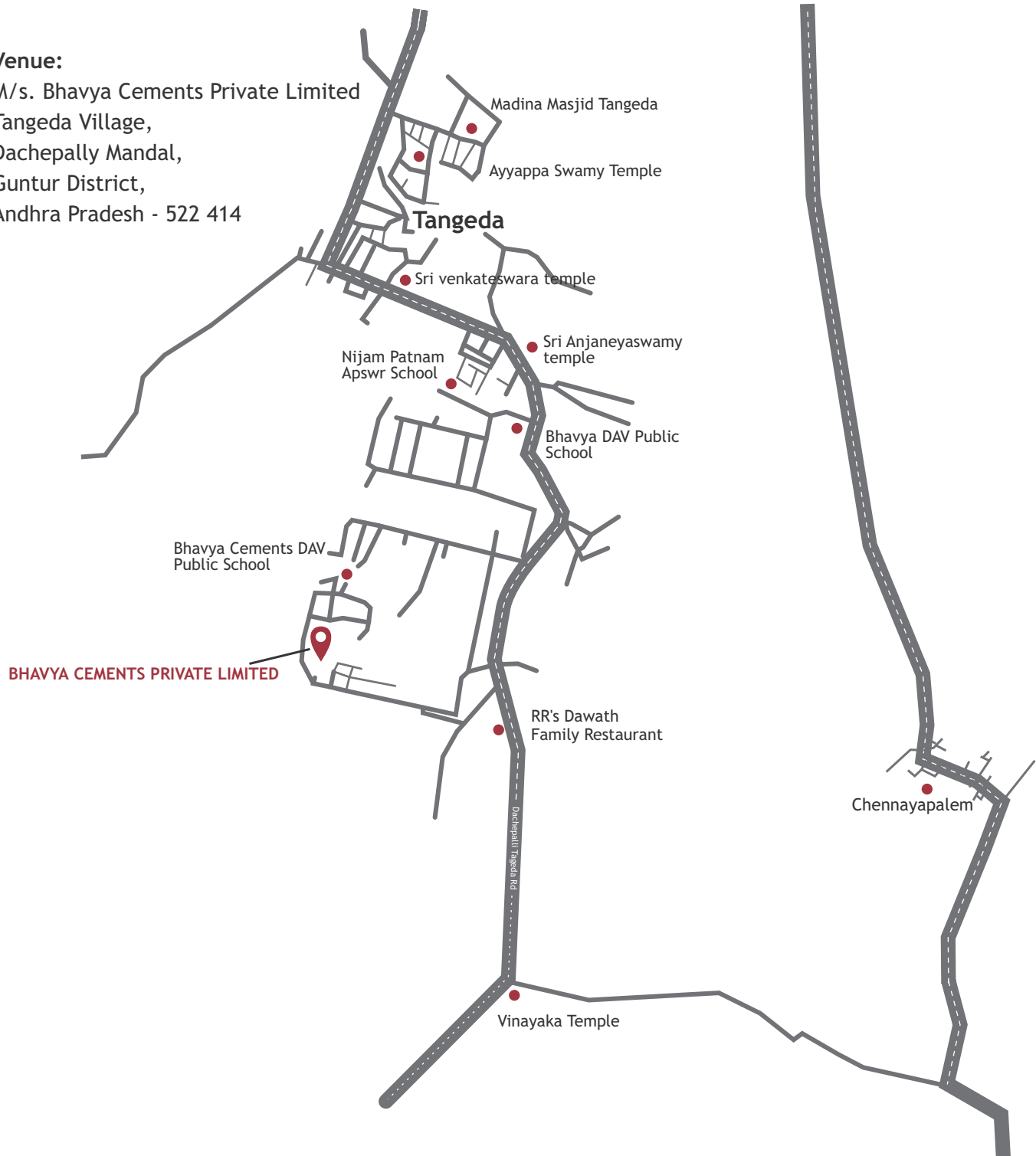
Jyoti Agarwal Singhal
Company Secretary

Place: Chennai
Date: August 02, 2022

**MAP SHOWING LOCATION OF THE VENUE OF
15TH ANNUAL GENERAL MEETING
OF
BHAVYA CEMENTS PRIVATE LIMITED
(formerly known as BHAVYA CEMENTS LIMITED)**

Venue:

M/s. Bhavya Cements Private Limited
Tangeda Village,
Dachepally Mandal,
Guntur District,
Andhra Pradesh - 522 414



DIRECTORS' REPORT

To
The Members of
BHAVYA CEMENTS PRIVATE LIMITED (formerly known as BHAVYA CEMENTS LIMITED)

Your Directors have pleasure in presenting the **FIFTEENTH ANNUAL REPORT** together with audited financial statements for the financial year ended **March 31, 2022**

1. FINANCIAL RESULTS:

Brief details of the financial results are furnished below:

(₹ In Lakhs)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
Revenue from Operations		40,636.17		39,344.03
Other Income		467.27		586.44
Total Income		41,103.44		39,930.47
Total Expenses excl. depreciation & finance costs		34,358.25		31,083.21
Earnings before interest, tax, depreciation and amortization		6,745.19		8,847.26
Less: Depreciation	1,986.98		2,391.34	
Finance costs	1,158.55	3,145.53	1,401.47	3,792.81
Profit/ (Loss) before Tax		3,599.69		5,054.45
Provision for Tax		858.87		1,302.91
Profit/ (Loss) after Tax		2,740.79		3,751.54

2. FINANCIAL PERFORMANCE

The Company's total revenue from operations for the Financial Year 2021-22 stood at ₹40,636.17 lakhs as against ₹39,344.03 lakhs in the previous year, a growth of 3.28% over the previous year. Profit before tax for the year was ₹3,599.69 lakhs as compared to ₹5,054.45 lakhs in the previous year. Profit after tax for the year was ₹2,740.79 lakhs as compared to ₹3,751.54 lakhs in the previous year. The reduction in profit is primarily attributable to increase in power and fuel costs due to higher coal prices. Tax expenses for the year ended March 31, 2022 was lower by ₹444.04 lakhs primarily on account of reduction of Profit before tax for the year ended March 31, 2022. There is a reduction in finance costs from ₹1,401.47 lakhs in the previous year to ₹1,158.55 lakhs in 2021-22 on account of reduction in borrowings.

3. PRODUCTION AND SALES PERFORMANCE:

The performance of your company in terms of production and sale of cement / clinker is given below:

(Qty in MT)

Particulars	Clinker		Cement	
	2021-22	2020-21	2021-22	2020-21
Production	818,320	844,417	968,659	962,686
Sales	-	6,609	969,204	974,982

4. DIVIDEND:

Your Directors have not recommended any dividend for the financial year 2021-22.

5. RESERVES:

Pursuant to Buy Back of shares, Capital Redemption Reserve was created to the extent of par value of share capital extinguished (i.e. ₹760.60 lakhs). The price of buy-back over and above the nominal value of Equity Shares bought back of ₹3,239.39 lakhs were funded out of the Securities Premium Account. No amount was transferred to the General Reserve during the year.

For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2022, please refer to the Statement of Changes in Equity included in the financial statements (refer to Note 14 of the financial statements) of this Annual Report.

6. BUYBACK OF EQUITY SHARES:

Pursuant to the approval of the Board of Directors on February 02, 2022 and approval of shareholders through Extra-ordinary general meeting held on February 16, 2022, your company had given an offer to buyback to all the existing equity shareholders of the Company as on March 09, 2022, being the record date for the purpose, on a proportionate basis under the tender offer route in accordance with the provisions of the Companies Act, 2013 and rules made thereunder to the extent not exceeding in value of 25% of the Paid-up Share Capital and free reserves of the company.

Pursuant to the offer, your Company completed the buyback of 7,606,000 Equity Shares of face value ₹10/- each at a price of ₹52.59/- per equity share, for an aggregate amount of ₹3,999.99 Lakhs.

7. SHARE CAPITAL:

During the year under review, 7,606,000 equity shares of face value of ₹10/- each of the Company were bought back for an aggregate amount not exceeding ₹3,999.99 Lakhs, which is not exceeding 25% of the aggregate of the issued, subscribed and paid up equity share capital and free reserves at a price of ₹52.59 per equity share. Consequently, the paid-up equity share capital has changed from ₹1,399,218,750/- divided into 139,921,875 Equity Shares of ₹10/-each as on March 31, 2021 to ₹1,323,158,750/- divided into 132,315,875 Equity Shares of ₹10/- each as on March 31, 2022.

8. CHANGE IN THE STATUS OF THE COMPANY, IF ANY:

There has not been any change in the nature of the business of the Company during the financial year under review.

9. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, Share Purchase Agreement was executed on May 26, 2021 between Anjani Portland Cement Limited and Bhavya Constructions Private Limited, Mr. V Ananda Prasad, Mrs. V Krishna Kumari and Mr. V Aditya ("Selling Shareholders") for acquisition of 11,54,55,015 equity shares aggregating to 82.51% of the paid-up equity share capital of the Company. The acquisition transaction was completed on June 7, 2021 and by virtue of the same, the company has become a subsidiary of Anjani Portland Cement Limited from the closing business hours of June 7, 2021. Further, Anjani Portland Cement Limited has also acquired 15,641,380 equity shares of the company, aggregating to 11.18% of the equity share capital of the company from its existing shareholders. This has resulted in an increase in the Anjani Portland Cement Limited shareholding in the Company to 93.53%. Further, pursuant to the completion of the Buyback offer given by the Company, the shareholding percentage of the Anjani Portland Cement Limited in the Company has been increased from 93.53% to 99.08% as March 31, 2022. Anjani Portland Cement Limited did not participate in the Buyback offer given by Company.

Subsequent to the financial year 2021-22 under review, Anjani Portland Cement Limited has also acquired 17,579 equity shares of the Company aggregating to 0.0133% of the paid-up equity share capital of the Company from its existing shareholders. This has resulted in an increase in Anjani Portland Cement Limited shareholding in the Company to 99.09% as on the date of this report.

10. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes and commitment affecting the financial position of the Company which have occurred between the end of the financial year to which this financial statements relate and the date of the report.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

➤ APPOINTMENTS & CESSATIONS:

During the year under review, the following appointments & cessations of directors took place:

Sr. No	Name of Director	Appointment/ Cessation	Date
1	Mrs. V. Valliammai (DIN:01197421)	Appointment as Non Executive Independent Director	16-Jun-21
2	Mr. Palani Ramkumar (DIN:09207219)	Appointment as Non Executive Director	09-Aug-21
3	Mr. Subramanya Rao Sandeep (DIN:09207372)	Appointment as Non Executive Director	09-Aug-21
4	Mr. N. Venkat Raju (DIN:08672963)	Appointment as Managing Director	13-Dec-21
5	Mr. Maganthi Satyanarayana Murthy (DIN:01612799)	Appointment as Non Executive Independent Director	07-Jun-21
6	Mangilal Kumavat (DIN:05163893)	Appointment as Non Executive Director	07-Jun-21
7	Mr. V. Ananda Prasad (DIN:00207561)	Cessation- Resignation	16-Jun-21
8	Mr. V. Aditya (DIN:02620669)	Cessation -Resignation	16-Jun-21
9	Mrs. V Krishna Kumari (DIN:00207725)	Cessation -Resignation	07-Jun-21
10	Mr. P. Shiva Kumar (DIN:02489876)	Cessation -Resignation	07-Jun-21

In terms of the provisions of Section 203 of the Companies Act, 2013, Mr. N. Venkat Raju, Managing Director, Mr. M. Sri Krishna Chaitanya, Chief Financial Officer are the Key Managerial Personnel of your Company as on March 31, 2022.

During the year under review, Mrs. Pooja Shah, Company Secretary has resigned with effect from January 21, 2022. Subsequent to the year under review, Mr. M.L. Kumavat, Non-Executive Director of the Company resigned with effect from May 11, 2022. Further, Mrs. Jyoti Agarwal Singhal (Membership No: A56780) has been appointed as

Company Secretary of the Company with effect from July 7, 2022.

12. DECLARATION BY INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and the relevant rules made there under. The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013. The Board of Directors of the Company is of the opinion that the Independent Directors possess requisite qualification, experience and expertise in industry knowledge, and they hold highest standard of integrity. All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs for the inclusion of their name in the data bank of independent directors, pursuant to the provision of Rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

13. NUMBER OF BOARD MEETINGS:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy. Provisions of the Companies Act, 2013 along with Secretarial Standards- 1 have been followed for issuing board meeting notices and agenda notes.

During the year under review, the Board met eleven (11) times as under:

S. No.	Date of the meeting
1.	26.04.2021
2.	22.05.2021
3.	22.05.2021
4.	07.06.2021
5.	16.06.2021
6.	05.07.2021
7.	09.08.2021
8.	09.11.2021
9.	13.12.2021
10.	02.02.2022
11.	07.02.2022

Statement of directors' attendance in the board meeting is provided in detail as under:

Sr. No	Name of Director	Nature of directorship	No. of meetings eligible to attend	No. of board meetings attended
1.	Mr. V. Ananda Prasad	Managing Director	4	4
2.	Mrs. V Krishna Kumari	Non- Executive Director	4	4
3.	Mr. V. Aditya	Non- Executive Director	4	4
4.	Mr. P. Shiva Kumar	Whole Time Director	4	4
5.	Mrs. V. Valliammai	Independent Director	6	6
6.	Mr. Palani Ramkumar	Non- Executive Director	4	4
7.	Mr. Subramanya Rao Sandeep	Non- Executive Director	4	4
8.	Mr. N. Venkat Raju	Managing Director	2	2
9.	Mr. Maganathi Satyanarayana Murthy	Independent Director	7	7
10.	Mr. M.L. Kumavat	Non- Executive Director	7	7

14. COMMITTEES OF THE BOARD:

➤ AUDIT COMMITTEE:

The Audit Committee was formed to assist the Board of Directors in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the company and its compliance with legal and regulatory requirements. The Audit Committee comprises of three members, with majority of Independent Directors. The Chairperson of the Committee is an Independent Director. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

Terms of Reference of the Audit Committee:

- recommendation of appointment, re-appointment, replacement, removal, fixing the remuneration and terms of appointment of Statutory Auditor, Internal Auditors, of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;

- Overseeing and reviewing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible
- examination of the financial statement and the auditors' report thereon;
- Approving payments to statutory auditors for services other than audit services rendered by the statutory auditors
- Approving changes in the accounting policies of the Company
- approval which includes omnibus approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems and policies;
- monitoring the end use of funds raised through public offers and related matters.
- To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review the functioning of the vigil mechanism, if any.

The quorum for the Audit Committee Meetings is either two members or one third of the members of the Committee, whichever is higher, with two independent members being present. Quorum was present for all the meetings during the year.

The composition of the Committee:

Sr. No.	Name	Designation	Category
1.	Mrs. V. Valliammai	Chair-Person	Independent Director
2.	Mr. Maganthi Satyanarayana Murthy	Member	Independent Director
3.	Mr. Subramanya Rao Sandeep	Member	Non Executive Director

During the year the Audit Committee met two(2) times as under:

Sr. No.	Date	Members Present
1.	09.11.2021	Mrs. V. Valliammai
		Mr. Maganthi Satyanarayana Murthy
		Mr. Subramanya Rao Sandeep
2.	02.02.2022	Mrs. V. Valliammai
		Mr. Maganthi Satyanarayana Murthy
		Mr. Subramanya Rao Sandeep

➤ **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company have been vested with the responsibility of reviewing appointments of Directors, Key Managerial Personnel and senior executives. The quorum for the Nomination and Remuneration Committee is either two members or one third of the members of the Committee, whichever is greater, including at least one independent director in attendance.

Terms of Reference of the Nomination and Remuneration Committee:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- To review and approve the remuneration policy, compensation plan & structure of the Company as per the applicability.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance and to specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Nomination and Remuneration policy of the Company is available on the following web-link:
<https://www.bhavyacement.com/investor-relations/>

The composition of the Committee:

Sr. No.	Name	Designation	Category
1.	Mr. Maganthi Satyanarayana Murthy	Chairman	Independent Director
2.	Mrs. V. Valliammai	Member	Independent Director
3.	Mr. M.L. Kumavat	Member	Non- Executive Director

During the year the Nomination and Remuneration Committee met three (3) times as under:

Sr. No.	Date	Members Present
1.	08.11.2021	Mr. Maganthi Satyanarayana Murthy
		Mrs. V. Valliammai
2.	13.12.2021	Mr. Maganthi Satyanarayana Murthy
		Mrs. V. Valliammai
3.	02.02.2022	Mr. Maganthi Satyanarayana Murthy
		Mrs. V. Valliammai

➤ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The role of the Corporate Social Responsibility Committee ('CSR Committee') was to formulate and recommend to the Board a Corporate Social Responsibility Policy, recommend the expenditure to be incurred by the Company on CSR activities and also monitor the said policy from time to time. The CSR Committee consists of three directors as on March 31, 2022.

▪ **Terms of reference of the Committee:**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company;
- To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy.
- To recommend the amount of expenditure to be

incurred on the aforementioned activities.

- To monitor the Corporate Social Responsibility Policy of the company from time to time.
- To implement the CSR projects with the involvement of officials of the Company.
- To place before the Board, the impact assessment reports, if applicable.
- Such other activities as are incidental for implementing the CSR projects in line with the requirements of the Companies Act, 2013.

The Corporate Social Responsibility policy is available in the investor section on the Company's website at:
<https://www.bhavyacement.com/investor-relations/>

The composition of the Committee:

Sr. No.	Name	Designation	Category
1.	Mr. M.L. Kumavat	Chairman	Non-Executive Director
2.	Mrs. V. Valliammai	Member	Independent Director
3.	Mr. Subramanya Rao Sandep	Member	Non-Executive Director

During the year, the CSR committee met one (1) time on November 08 2021. All the members of the Committee attended the meeting.

Sr. No.	Date	Members Present
1.	08.11.2021	Mr. Maganthi Satyanarayana Murthy
		Mrs. V. Valliammai

15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In accordance with Section 177(9) and (10) of the Companies Act, 2013, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The same has been oversea through the Audit Committee, the genuine concerns expressed by the employees and other directors. The Company has also provided adequate safeguard against victimization of employees and directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. The policy is available at the Company's website and can be accessed at:
<https://www.bhavyacement.com/investor-relations/>

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to the Director's Responsibility Statement, it is hereby confirmed:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit or loss of the company for the year under review.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the accounts for the financial year ended March 31, 2022 on a 'going concern' basis
- v. The Director had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

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

The policy relating to appointment of Directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is covered in the Nomination and Remuneration Policy of the Company. The detail of Nomination and Remuneration Policy of the Company is available on the Company's website at: <https://www.bhavyacement.com/investor-relations/>

18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Pursuant to Section 134(3) (n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Board of Directors ensure that major risks are identified and its mitigation process/measures are formulated in the areas such as business, financial, human, environment and statutory compliance. The Risk

Management Policy is available at the Company's website and can be accessed at: <https://www.bhavyacement.com/investor-relations/>

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company has not granted loans, not made investments and not given guarantees or securities under section 186 of the Companies Act, 2013.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE UNDER SECTION 188 OF THE COMPANIES ACT, 2013:

All transactions entered by the Company with related parties were in the ordinary course of the business and at arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. In terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contract or arrangement entered into by the Company with related parties as referred to in Section 188 in form AOC-2 is attached as Annexure I of this Report.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure II to this Report.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

This policy is applicable to all employees, irrespective of their level and it also includes 'Third Party Harassment' cases i.e. where sexual harassment is committed by any person who is not an employee of the Company.

Your Company has also set up an Internal Complaints Committee at each of its administrative office(s) which is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts interactive sessions for all the employees, to build awareness amongst employees about the policy and the provisions of the POSH Act.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22.

No. of complaints received	:	Nil
No. of complaints disposed off	:	Nil
No. of complaints pending at the end of the year	:	Nil

23. CORPORATE SOCIAL RESPONSIBILITY:

The Board has, pursuant to the recommendation of the CSR Committee, with a vision “to actively contribute to the social and economic development of the communities in which your Company operates and in doing so, build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index”, adopted a CSR Policy and the same is available on the website of the Company i.e. <https://www.bhavyacements.com/investor-relations/>

Your Company has fulfilled its obligation towards Corporate Social Responsibility for the FY 2021-22, by spending a sum ₹47.97 lakhs during the year, which constitutes over 2% of the average net profit of the last three financial years. Your Company is primarily focused with promoting education and rural developments.

The Annual Report on the Company’s CSR activities of the Company for the financial year 2021-22 is annexed as **Annexure III** to this Report.

24. DEPOSITS:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Further, there are no un-matured / unpaid Fixed Deposits at the end of the financial year 2021-22.

25. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATION IN FUTURE:

There has been no significant material orders passed by the Regulators / Courts / Tribunal which impacting the going concern status of the Company’s operations.

26. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

Based on the compliance systems established and maintained by the Company, the work performed by the internal, statutory, secretarial auditor and external consultants including the audit of internal financial controls over financial reporting by statutory auditors along with the Company’s self-assessment procedures the Board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year ended March 31, 2022.

27. AUDITORS

➤ STATUTORY AUDITORS:

The Board of Directors of your company has appointed M/s. Ramanatham & Rao, Chartered Accountants, as Statutory Auditors of the Company for a term of five . years to hold office from the conclusion of the 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting of the Company. M/s. Ramanatham & Rao Chartered Accountants were appointed by the shareholders at the EGM held during the financial year 2021-22 as Statutory Auditors of the company for the financial year 2021-22 to hold office till the conclusion of the next Annual General Meeting to fill casual vacancy caused by the resignation of the erstwhile auditors of the Company. Necessary resolution seeking Member’s approval for appointment of M/s. Ramanatham & Rao, Chartered Accountants as Statutory Auditors of the Company, is included in the notice convening 15th Annual General Meeting. The Auditors’ Report does not contain any qualifications, reservations or adverse remarks.

➤ INTERNAL AUDITORS:

The Board of Directors of your company appointed M/s. M. Bhaskara Rao & Co, as Internal Auditors of the company to conduct Internal Audit for the financial year 2021-22.

➤ COST AUDITOR:

M/s. S.R. & Associates, Cost Accountants, Hyderabad, were appointed as Cost Auditor of the Company for the financial year 2021-22, by the Board of Directors on the recommendation of the Audit Committee. Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company has maintained the cost records for the financial year 2021-22.

Further, the Board of Directors on the recommendation of the Audit Committee has appointed M/s Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the financial year 2022-23 and fixed their remuneration, subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company. M/s Narasimha Murthy & Co. have confirmed that their appointments is within the limits of the Section 139 of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013. The Audit Committee has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Member's approval for ratification of remuneration payable to the Cost Auditors for the financial year 2022-23 in compliance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, is included in the notice convening 15th Annual General Meeting.

➤ **SECRETARIAL AUDITOR:**

In line with requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. P. S. RAO & Associates, Company Secretaries, to carry out Secretarial Audit of the Company for the financial year 2021-22. Pursuant to section 204(1) of the Companies Act 2013, the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended March 31, 2022 is attached as **Annexure IV**. The Secretarial Auditor's Report does not contain any qualification, reservation or adverse remarks.

28. ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2022 is available on the Company's website and be accessed at <https://www.bhavyacements.com/investor-relations/>

29. INSOLVENCY PROCEEDING

During the year under review, there are no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

30. ONE TIME SETTLEMENT WITH BANK

During the year under review, there are no cases of loan for which one time settlement is made with the Bank or Financial Institutions.

31. SECRETARIAL STANDARDS:

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

32. IMPACT OF COVID 19 PANDEMIC:

The nation has experienced Covid second wave during the months of April 2021-May 2021 and as a measure to curb the pandemic, lockdowns were imposed by the various State Governments during the month of May 2021. Subsequently, the nation has also experienced Covid third wave during the months of December 2021-January 2022.

The company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements, including but not limited to its assessment of, liquidity, going concern assumption and recoverability of carrying amounts of financial and non-financial assets.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company has, at the date of approval of these financial statements, used internal & external sources of information including credit reports, related information and economic forecasts. Based on these parameters, the company expects that the carrying amount of these assets will be recovered.

The impact of Covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of Covid-19. However, the management will continue to closely monitor any material changes to future economic conditions, which are subject to uncertainties that Covid-19 outbreak might pose in the future.

33. INDUSTRIAL RELATIONS:

The employee relations have remained cordial throughout the year and industrial harmony was maintained. Measures for the safety, training and development of the employees continued to receive top priority. The Directors wish to place on record their appreciation of the valuable contribution made by the employees of the Company at all levels towards the performance and growth of the Company.

Acknowledgement

Your Directors would like to take this opportunity to express their appreciation to all the customers, members, investors, vendors, suppliers, business associates, bankers and financial institutions for their continuous support, assistance and co-operation. We also thank the Central and State Governments and other regulatory authorities for their co-operation.

Your Directors also wish to place on record our sincere appreciation for the hard-work, solidarity and contribution of each and every employee of the Company in driving the growth of the Company.

On behalf of the Board,
For **Bhavya Cements Private Limited**

Mr. N. Venkat Raju
Managing Director
DIN: 08672963

Place: Chennai
Date: August 02, 2022

Mrs. Valliammai
Director
DIN: 01197421

ANNEXURE I

Form No. AOC-2

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

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.

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

Sr. No.	Particulars	Details			
i.	Name(s) of the related party	Chettinad Cement Corporation Private Limited	Anjani Portland Cement Limited	Anjani Portland Cement Limited	Bhavya Constructions Pvt. Limited
ii.	Nature of relationship	Ultimate Holding Company from June 8, 2021	Holding Company from June 8, 2021	Holding Company from June 8, 2021	ceased to be a Holding company from June 7, 2021
iii.	Nature of contracts/arrangements/transactions	Purchase of goods	Purchase of goods	Sale of Cement	Rent
iv.	Duration of the contracts/arrangements/transactions	Continues/ On-going	Continues/ On-going	Continues/ On-going	12 months
v.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase of goods ₹1,221.07 Lakhs	Purchase of goods ₹4.92 Lakhs	Sale of goods ₹2.10 Lakhs	The contract was rescinded on June 07, 2021.
vi.	Date(s) of approval by the Board, if any:	Since these RPTs are in ordinary course of business and at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee/ Board at their quarterly meetings.	Since these RPTs are in ordinary course of business and at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee/ Board at their quarterly meetings.	Since these RPTs are in ordinary course of business and at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee/ Board at their quarterly meetings.	-
vii.	Amount paid as advances, if any:	Nil	Nil	Nil	Nil

Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited)
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On behalf of the Board,
For Bhavya Cements Private Limited

Mr. N. Venkat Raju
Managing Director
DIN: 08672963

Place: Chennai
Date: August 02, 2022

Mrs. Valliammai
Director
DIN: 01197421

ANNEXURE II

Particulars U/S 134(3) (m) of the Companies Act, 2013
Form for disclosure of particulars with respect to Conservation of Energy

(₹ In Lakhs)

Sr. No.	Particulars	Current Year 01.04.21 to 31.03.22	Previous Year 01.04.20 to 31.03.21
A.	Power and Fuel Consumption		
1.	Electricity		
	i. Purchased Units(in Lakhs) Kwh	591.63	690.34
	Total Amount (₹ in Lakhs)	4,028.87	4,536.35
	Rate / Unit (₹)	6.81	6.57
	ii. Own Generation Units (in Lakhs)	247.27	127.08
	Units/ Ltr. of Diesel Oil	-	-
	Rate / Unit (₹) excl. depreciation cost	0.68	0.96
2.	Coal used as fuel in Kiln		
	Quantity (MTs)	1,57,373	1,46,396
	Total Cost (₹ in Lakhs)	14,198.01	8,967.52
	Average Rate (₹/MTs)	9,021.88	6,125.52
B.	Consumption per Unit of Production		
	Production - OPC (MTs)	6,72,719	7,10,956
	Production - PPC (MTs)	2,95,940	2,51,730
	Production - Clinker (MTs)	8,18,320	8,44,417
	Electricity Per Mt of OPC/PPC - (in KWH)	86.71	84.97
	Coal used as percentage/MT of Clinker (in %)	19.23	17.33

Form for disclosure of particulars with respect to Technology Absorption, Research and Development:

1. Research and Development : NIL
2. Technology absorption
 - a. Reduction of false air in the Pyro process system reduction of Power consumption in Pre-heater fan by 60KW (1440 kwh/Day)
 - b. Change of RABH Operation from Timer mode to DP mode so that reduction of Reverse air fan RPM and power reduced by 30KW (720kwh/Day)
 - c. Packing plant change of motor connections from delta to Start (due to running less than 40% load) about 5 motors of different rating. Resulting reduction of power consumption 9KW (144kwh/day)
3. Foreign Exchange Earnings and Outgo
 - (i) Foreign Exchange Earnings : NIL
 - (ii) Foreign Exchange Outgo : NIL
 - (iii) Foreign currency receipts during the year : NIL

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY [CSR] as on the financial year ended 31st March, 2021 of BHAVYA CEMENTS PRIVATE LIMITED

[pursuant to Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company

The Company's CSR initiatives has played pivotal role in improving the lives of the communities and society at large and in & around its operations with an objective to energize, involve and enable them to realize their potential. This has also enabled the Company to fulfill its commitment to be a socially responsible corporate citizen.

2. Composition of CSR Committee

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. S. Sandeep	Director	1	1
2	Mrs. V. Valliammai	Independent Director	1	1
3	Mr. M.L. Kumavat*	Director	1	1

*Resigned from the board with effect from May 11, 2022

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

The Composition of the CSR committee is available on our website, at The Committee, with the approval of the Board, has adopted the CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at The CSR projects approved by the Board is available on our website, at

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : NOT APPLICABLE

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	NA	NA	NA
2	NA	NA	NA
3	NA	NA	NA
	TOTAL	-	-

6. Average Net Profit of the company as per Section 135(5) 234,193,934

7. (a) Two Percent of Average Net Profit of the company as per Section 135(5) 4,683,879

(b) Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years -

(c) Amount required to be set off for the Financial Year, if any -

(d) Total CSR Obligation for the Financial Year [7a+7b-7c] 4,683,879

8.(a) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in ₹)	Total Amount Transferred to Unspent CSR Account as per Section 135(6)		Amount Transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
4,797,136	NIL	-	-	NIL	-

8.(b) Details of CSR amount spent against ONGOING PROJECTS for the Financial Year:

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

8.(c) Details of CSR amount spent against OTHER THAN ONGOING PROJECTS for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Bhavya Cements DAV School	Promoting Education	Yes	Andhra Pradesh	Guntur	4,537,972	Yes	-	-
2	Building of Pakka Roads	Rural Deevlopment Project	Yes	Andhra Pradesh	Guntur	259,164	Yes	-	-
	TOTAL					4,797,136			

8(d) Amount spent in Administrative Overheads : NIL

8(e) Amount spent on Impact Assessment, if applicable : NIL

8(f) Total amount spent for the Financial Year [8b+8c+8d+8e] : ₹4,797,136

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8(e) Excess amount for set off, if any:

S.No	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	4,683,879
(ii)	Total amount spent for the Financial Year	4,797,136
(iii)	Excess amount spent for the Financial Year [(ii)-(I)]	113,257
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	113,257

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

S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1	2018-19	-	-		-		-
2	2019-20	-	-		-		-
3	2020-21	-	-		-		-
	TOTAL	-	-		-		-

9. (b) Details of CSR amount spent in the Financial Year for ONGOING PROJECTS of the preceding Financial Year(s) :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of the reporting Financial Year (in ₹)	Status of the Project - Completed/	
			---- NOT APPLICABLE ----						

10. In case of creation or acquisition of Capital Asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (Asset-wise Details)
- (a) Date of Creation or acquisition of the Capital Asset(s) : NONE
 - (b) Amount of CSR spent for creation or acquisition of Capital Asset : NIL
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : NOT APPLICABLE
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : NOT APPLICABLE
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): NOT APPLICABLE

Date: 02-08-2022
Place: Chennai

S. Sandeep
Chairman CSR Committee

N Venkat Raju
Managing Director

Form No. MR-3
SECRETARIAL AUDIT REPORT

[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,
BHAVYA CEMENTS PRIVATE LIMITED
Hyderabad

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHAVYA CEMENTS PRIVATE LIMITED**, (hereinafter referred to as “the Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2022** according to the provisions of:
 - (i) The Companies Act, 2013 (“the Act”) (applicable sections as on date) and the rules made thereunder;
 - (ii) The Depositories Act, 1996 and the regulations and bye-laws framed by the Securities and Exchange Board of India (“SEBI”) thereunder;
2. The industry specific major laws that are applicable to the Company are as follows:
 - a) The Boilers Act, 1923
 - b) The Indian Explosives Act, 1884
 - c) The Water (Prevention and Control of Pollution) Act, 1974
 - d) The Air Prevention and Control of Pollution Act, 1981
 - e) The Environment (Protection) Act, 1986, The Environment (Protection) Rules, 1986 and Public Liability Insurance Act, 1991
 - f) Electricity Act, 2003
 - g) Factories Act, 1948
 - h) Static and Mobile Pressure Vessels (Unfired) Rules, 1981
 - i) Mines Act, 1952
 - j) Mines and Minerals (Development and Regulation) Act, 1957
 - k) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 - l) Cement (Quality Control) order, 2003
 - m) Legal Metrology Act, 2009

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

- (i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors, and General Meetings, respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

We report that, during the period under review, the Company has duly complied with the provisions of the Companies Act and other acts, as specified above, applicable to the industry of the Company.

We further report that:

The Board of Directors of the Company is duly constituted. During the period under review, the following is the composition of the Board of Directors:

Sl. No.	Name of the Director	DIN	Designation	Comments
1	VALLIAMMAI VALLIAPPAN	01197421	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on Jun 16, 2021
2	MAGANTHI SATYANARAYANA MURTHY	01612799	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on Feb 02, 2022
3	VENKAT RAJU NADIMPALLI	08672963	Managing Director	Appointed as Additional Executive Director Incapacity of Professional, Appointed as Managing Director on Dec 13, 2021
4	PALANI RAMKUMAR	09207219	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on Aug 09, 2021
5	SUBRAMANYA RAO SANDEEP	09207372	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on Aug 09, 2021

Adequate notice was given to all the 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. As a general practice of the Board, the decisions were taken on unanimous consent.

We further report that during the year under review, the Board meetings were held on April 26, 2021, May 22, 2021 (10 AM), May 22, 2021 (2 PM), June 7, 2021, June 16, 2021, July 05, 2021, August 9, 2021, November 9 2021, December 13, 2021, February 2, 2022 and February 7, 2022.

Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited)
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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.

Place: Hyderabad
Date : August 02, 2022

For **P.S. RAO & ASSOCIATES**
Company Secretaries

Vanitha Nagulavari
Company Secretary
M.No.: A26859
C.P. No:10573
UDIN: A026859D000726712
PEER REVIEW Cer. No.: 1890/2022

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
BHAVYA CEMENTS PRIVATE LIMITED
Hyderabad

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

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

Place: Hyderabad
Date : August 02, 2022

For P.S. RAO & ASSOCIATES
Company Secretaries

Vanitha Nagulavari
Company Secretary
M.No.: A26859
C.P. No:10573
UDIN: A026859D000726712
PEER REVIEW Cer. No.: 1890/2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2021 and 1st April 2020 is based on the previously issued statutory financial statements which were audited by the predecessor auditor who expressed unqualified opinion vide report dated 22nd May, 2021.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><i>Evaluation of uncertain tax positions</i></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 40 to the Financial Statements</p>	<p><u>Principal Audit Procedures</u></p> <p>Obtained details of completed tax assessments and demands as on March 31, 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p>

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report but does not include the financial statements and our auditor's report thereon. The Directors Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Directors Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of

the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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 Statement 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 as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".

(g) Being a private limited company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to the Company.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 40);

ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend was declared or paid during the year by the Company.

2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Government of India in terms of Section 143 (11) of the Act, we give in "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ramanatham & Rao
Chartered accountants
(Firm Registration No.S-2934)

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 22024363AITKIF3582

Place : Hyderabad

Date : 11th May 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bhavya Cements Private Limited (“the Company”) as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was

established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Ramanatham & Rao
Chartered accountants
(Firm Registration No.S-2934)

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 22024363AITKIF3582

Place : Hyderabad

Date : 11th May 2022

Annexure “B” to the Independent Auditor’s Report With reference to Paragraph 2 under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company, we report that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not devalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory and have been properly dealt with in the books of account.
- (b) The Company is sanctioned working capital limits in excess of Rs.5 Crore from banks on the basis of security of inventory and trade receivables. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. The Company has not made investments, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3 (iii) of the Order is not applicable.
- iv. The Company has not granted loans, not made investments and not given guarantees or securities and hence reporting under clause 3 (iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There are no undisputed amounts payable in respect of Goods and Service tax, Provident fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where Dispute is pending	Period to which the amount relates	Amount (In Lakhs)	Amount paid under protest
Central Excise Act, 1944	Excise Duty	Commissioner of Central Taxes, Guntur	February 2016 to June 2017	1,001.07	-
Commercial Taxes Department	Entry Tax	High Court for the State of Telangana, Hyderabad	April 2009 to March 2011	37.84	12.61
Commercial Taxes Department	Entry Tax	High Court for the State of Telangana, Hyderabad	April 2013 to March 2014	11.60	4.82
Income Tax Act, 1962	Income Tax	Jurisdictional Assessing Officer	2018-19	17.44	-
Income Tax Act, 1961	Income Tax	Jurisdictional Assessing Officer	2015-16	22.88	-

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans taken from the banks, financial institutions and Government.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any Subsidiaries, associates or Joint Ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary, joint ventures or associate companies.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion 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 Companies Act are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and there are no issues, objections or concerns raised by the outgoing auditors.
- 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) There is no amount to be spent for other than ongoing projects towards Corporate Social Responsibility (CSR). Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) The Company does not have ongoing projects relating to CSR. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

For Ramanatham & Rao
Chartered accountants
(Firm Registration No.S-2934)

C. Kameshwar Rao
Partner
Membership No.024363
UDIN: 22024363AITKIF3582

Place : Hyderabad
Date : 11th May 2022

Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited)
Annual Report 2021-22

Balance Sheet as at March 31, 2022
(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Assets				
Non-current assets				
Property, plant and equipment	2	18,058.10	20,406.55	21,757.73
Right of Use Assets	43	195.66	1,613.85	6.47
Capital work-in-progress	2	-	-	261.74
Investment Property	4	108.88	110.22	-
Other intangible assets	3	-	-	0.57
Financial assets				
i. Investments	5	-	8,500.00	-
ii. Other financial assets	6	1,501.36	2,497.36	1,718.46
Other non-current assets	7	808.87	2,053.54	1,026.98
Total non-current assets		20,672.87	35,181.52	24,771.95
Current assets				
Inventories	8	2,108.81	1,524.78	2,234.70
Financial assets				
i. Trade receivables	9	3,753.72	2,497.98	3,842.59
ii. Cash and cash equivalents	10	348.89	1,422.43	265.64
iii. Bank Balances other than (ii) above	11	87.24	112.31	229.47
iv. Other financial assets	6	47.50	87.64	156.34
Other current assets	12	1,642.27	846.99	431.62
Total current assets		7,988.43	6,492.13	7,160.36
Total Assets		28,661.30	41,673.65	31,932.31
Equity and Liabilities				
Equity				
Equity share capital	13	13,231.59	13,992.19	11,192.77
Other equity	14	3,059.47	4,449.45	3,508.45
Total equity		16,291.06	18,441.64	14,701.22
Liabilities				
Non-current liabilities				
Financial liabilities				
i. Borrowings	15	3,000.00	10,384.22	3,874.11
ii. Lease liabilities	43	172.75	1,224.67	0.44
Provisions	16	204.91	281.88	299.22
Deferred tax liabilities (net)	17	975.51	969.81	479.08
Total non-current liabilities		4,353.17	12,860.58	4,652.85
Current liabilities				
Financial liabilities				
i. Borrowings	18	3,179.70	3,306.57	5,758.78
ii. Lease liabilities	43	28.34	1.11	6.03
iii. Trade payables	19	-	-	-
a) Total outstanding dues of micro and small enterprises		684.80	100.13	64.07
b) Total outstanding dues of creditors other than micro and small enterprises		1,912.51	3,719.58	3,472.52
iv. Other financial liabilities	20	785.46	1,364.14	1,348.21
Other current liabilities	21	1,232.12	1,802.18	1,807.95
Provisions	16	4.84	8.50	3.82
Current tax liabilities (net)	22	189.30	69.22	116.87
Total current liabilities		8,017.07	10,371.43	12,578.24
Total liabilities		12,370.24	23,232.01	17,231.09
Total equity and liabilities		28,661.30	41,673.65	31,932.31
Summary of significant accounting policies	1			

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

For RAMANATHAM & RAO
Chartered Accountants
ICAI firm registration number: S-2934

C. Kameshwar Rao
Partner
Membership No.: 024363

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board
Bhavya Cements Private Limited

N. Venkat Raju **V Valliammai** **ML Kumavat**
Managing Director Director
DIN: 08672963 DIN: 01197421 DIN: 05163893

S. Sandeep **P Ramkumar** **M Satyanarayana Murthy**
Director Director
DIN: 09207372 DIN: 09207219 DIN: 01612799

M.S.K Chaitanya
Chief Financial Officer

Place: Chennai
Date: May 11, 2022

Statement of Profit and Loss for the Year Ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	23	40,636.17	39,344.03
Other income	24	467.27	586.44
Total Income (i)		41,103.44	39,930.47
Expenses			
Cost of raw materials consumed	25	5,364.71	4,053.42
Changes in inventories of work-in-progress and finished goods	26	(617.10)	630.53
Employee benefits expense	27	1,317.79	1,288.59
Finance costs	28	1,158.55	1,401.47
Depreciation and amortisation expense	29	1,986.98	2,391.34
Power and fuel	30	18,226.88	13,503.87
Freight and forwarding expense		5,450.96	6,604.13
Other expenses	31	4,615.01	5,002.67
Total expenses (ii)		37,503.78	34,876.02
Profit before tax ((i)-(ii))		3,599.66	5,054.45
Tax expense			
Current tax	32	865.12	794.49
Deferred tax	32	(6.80)	494.49
Earlier years' tax	32	0.55	13.93
Total tax expense	32	858.87	1,302.91
Profit for the year	13	2,740.79	3,751.54
Other comprehensive income / (loss) for the year			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		49.67	(14.88)
(b) Income tax relating to items (a) above		(12.50)	3.75
Other comprehensive income/(loss) for the year, net of tax	13	37.17	(11.13)
Total comprehensive income for the year		2,777.96	3,740.41
Earnings per share (equity shares, par value ₹10 each)			
Basic earnings per share in Rupees	33	1.96	2.68
Diluted earnings per share in Rupees		1.96	2.68
Summary of significant accounting policies	1		

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

For **RAMANATHAM & RAO**
Chartered Accountants
ICAI firm registration number: S-2934

C. Kameshwar Rao
Partner
Membership No.: 024363

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board
Bhavya Cements Private Limited

N. Venkat Raju
Managing Director
DIN: 08672963

V Valliammai
Director
DIN: 01197421

ML Kumavat
Director
DIN: 05163893

S. Sandeep
Director
DIN: 09207372

P Ramkumar
Director
DIN: 09207219

M Satyanarayana Murthy
Director
DIN: 01612799

M.S.K Chaitanya
Chief Financial Officer

Place: Chennai
Date: May 11, 2022

Cash flow statement for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from operating activities			
Net profit before tax		3,599.66	5,054.45
Adjustments for operating activities :			
Depreciation and amortisation expense		1,986.98	2,391.34
Interest income from Bank Deposits and Others		(285.04)	(410.81)
Net gain on disposal of property, plant and equipment		(40.03)	-
Bad debts written off		8.90	178.88
Provision for doubtful debts		47.53	-
Liabilities no longer required written back		(1.21)	(23.72)
Interest income from financial assets at amortised cost		(140.99)	(151.91)
Interest expenses on financial liabilities calculated using effective interest rate		524.23	(331.58)
Finance costs		634.32	1,733.05
Operating cash flow before working capital changes		6,334.35	8,439.70
Decrease / (increase) in Inventories		(584.03)	709.92
Decrease / (increase) in Trade Receivables		(1,312.17)	1,070.78
Decrease / (increase) in Financial Assets		964.14	(440.95)
Decrease / (increase) in Other Non Current Assets		(0.49)	101.88
Decrease / (increase) in Other Current Assets		(834.88)	(452.90)
Increase/(decrease) in Trade Payables		(1,222.40)	283.12
Increase/(decrease) in Provisions		(30.96)	(27.54)
Increase/(decrease) in Financial Liabilities		65.85	110.29
Increase/ (decrease) in other Current Liabilities		(642.61)	22.35
Cash generated from operating activities		2,736.80	9,816.65
Income taxes paid, net of refunds		(682.83)	(780.52)
Net cash flow from operating activities	(A)	2,053.97	9,036.13
Cash flows from investing activities			
Payments for property, plant and equipment		(118.39)	(814.08)
Increase / (Decrease) in capital creditors		(244.05)	(54.94)
(Increase) / Decrease in capital advances		1,245.54	(1,128.44)
Proceeds from sale of fixed assets		75.81	-
Investment in NCDs		-	(8,500.00)
Proceeds from redemption of NCDs		8,500.00	-
Proceeds from bank deposits/ (bank deposits made) (net)		396.05	(174.30)
Interest income received		644.15	67.56
Net cash used in investing activities	(B)	10,499.11	(10,604.20)
Cash flows from financing activities			
Proceeds from / (Repayment of) borrowings		(8,039.79)	4,538.12
Lease liabilities paid		(33.15)	(40.27)
Payments made towards Buyback of equity shres		(4,000.00)	-
Payments made towards Buyback tax		(928.54)	-
Finance costs paid		(625.14)	(1,772.99)
Net cash flow from financing activities	(C)	(13,626.62)	2,724.86
Net increase in cash and cash equivalents	(A+B+C)	(1,073.54)	1,156.79
Cash and cash equivalents at the beginning of the year		1,422.43	265.64
Cash and cash equivalents at the end of the year		348.89	1,422.43

Cash flow statement for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Components of cash and cash equivalents (refer note 10)			
- Cash on hand		1.50	5.47
Balances with banks			
- on current accounts		347.39	1,197.23
Deposits with original maturity of less than three months		-	219.73
		348.89	1,422.43
Summary of significant accounting policies	1		
1. Components of cash and cash equivalents			
Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Balances with banks in current accounts		347.39	1,197.23
Balances with banks in deposit accounts		-	219.73
Cash on hand		1.50	5.47
Cash and cash equivalents considered in the cash flow statement		348.89	1,422.43

2. The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 specified under Section 133 of the Companies Act, 2013.

3) Reconciliation of liabilities arising from financing activities

Particulars	Outstanding as at April 1, 2021	Cash flows (net outflows)	Non-Cash Changes	Outstanding as at March 31, 2022
Non Current Borrowings	10,384.22	(7,719.49)	335.27	3,000.00
Current Borrowings	3,306.57	(320.30)	193.43	3,179.70
Total Borrowings	13,690.79	(8,039.79)	528.70	6,179.70

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

For RAMANATHAM & RAO
Chartered Accountants
ICAI firm registration number: S-2934

C. Kameshwar Rao
Partner
Membership No.: 024363

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board
Bhavya Cements Private Limited

N. Venkat Raju
Managing Director
DIN: 08672963

V Valliammai
Director
DIN: 01197421

ML Kumavat
Director
DIN: 05163893

S. Sandeep
Director
DIN: 09207372

P Ramkumar
Director
DIN: 09207219

M Satyanarayana Murthy
Director
DIN: 01612799

M.S.K Chaitanya
Chief Financial Officer

Place: Chennai
Date: May 11, 2022

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

I) Equity share capital

Statement of Changes in Equity

Particulars	Note No.	Amounts
Balance as at April 1, 2021		13,992.19
Changes in equity share capital during the year	13	(760.60)
Balance as at March 31, 2022		13,231.59
Balance as at April 1, 2020		11,192.77
Changes in equity share capital during the year	13	2,799.42
Balance as at March 31, 2021		13,992.19

II) Other equity

Particulars	Note No	Reserves and Surplus					Total
		Securities Premium	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2021		3,375.00	-	-	1,085.58	(11.13)	4,449.45
Profit for the year	14	-	-	-	2,740.79	-	2,740.79
Utilized towards share buyback		(3,239.40)	-	-	-	-	(3,239.40)
CRR created on account of share buyback		(135.60)	760.60	-	(625.00)	-	-
Utilized towards payment of buyback tax		-	-	-	(928.54)	-	(928.54)
Other comprehensive income/ (loss)	14	-	-	-	-	37.17	37.17
Balance as at March 31, 2022		-	760.60	-	2,272.83	26.04	3,059.47
Balance as at April 1, 2020		3,375.00	-	135.00	(1.55)	-	3,508.45
Profit for the year	14	-	-	-	3,751.54	-	3,751.54
Utilized towards redemption of NCDs		-	-	(135.00)	135.00	-	-
Utilized towards issue of bonus shares		-	-	-	(2,799.41)	-	(2,799.41)
Other comprehensive income/ (loss)	14	-	-	-	-	(11.13)	(11.13)
Balance as at March 31, 2021		3,375.00	-	-	1,085.58	(11.13)	4,449.45

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

For **RAMANATHAM & RAO**
Chartered Accountants
ICAI firm registration number: S-2934

C. Kameshwar Rao
Partner
Membership No.: 024363

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board
Bhavya Cements Private Limited

N. Venkat Raju
Managing Director
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Director
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Chief Financial Officer

Place: Chennai
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P Ramkumar
Director
DIN: 09207219

ML Kumavat
Director
DIN: 05163893

M Satyanarayana Murthy
Director
DIN: 01612799

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

a) Brief description of the Company

Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited) (referred to as the "Company") is a private limited company incorporated under the Indian Companies Act domiciled in India.

The Company is engaged in the business of manufacture and sale of Cement. The Company has manufacturing plant located at Tangeda Village, Dacheppally Madal, Guntur District, Andhra Pradesh.

Share Purchase Agreement was executed on May 26, 2021 between Anjani Portland Company Limited and Bhavya Constructions Private Limited, Mr V Ananda Prasad, Mrs V Krishna Kumari and Mr V Aditya ("Selling Shareholders") for acquisition of 11,54,55,015 equity shares aggregating to 82.51% of the paid-up equity share capital of the Company. The acquisition transaction was completed on June 7, 2021 and by virtue of the same, the company has become a subsidiary of Anjani Portland Cement Limited from the closing business hours of June 7, 2021. Further, Anjani Portland Cement Limited has also acquired 1,56,41,380 equity shares of the company, aggregating to 16.57% of the equity share capital of the company from its existing shareholders on various dates till March 31, 2022

As of March 31, 2022 Anjani Portland Cement Limited holds 99.08% equity of the Company.

The financial statements are approved for issue by the Company's Board of Directors on May 11, 2022

b) Basis of preparation

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policies given below) which have been measured at fair value.

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised

prospectively in the current and future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Critical Estimates and judgments

The areas involving critical estimates or judgments are:

- i) Estimation of current tax expense and payable
- ii) Estimation of defined benefit obligation
- iii) Estimation of useful life of Property, Plant and Equipment
- iv) Impairment of trade receivables
- v) Estimation of decommissioning liabilities for quarry mines
- vi) Leases

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are and net of returns, trade allowances, rebates, and amounts collected on behalf of third parties.

Sale of products:

Timing of recognition - Revenue from sale of products is recognized when control of the products is transferred to customers based on terms of sale.

Measurement of Revenue: Revenue from sales is based on the price specified in the sales contract, net of all discounts and returns in relation to sales made until end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. Receivable is recognized when the goods are dispatched as this is the point in time that the consideration is unconditional and only passage of time is required before payment is done.

Interest, Dividends and Other Income:

Dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

f) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other property plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use. However, cost excludes input credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

g) Depreciation and amortization

i) Depreciation on Property, plant and equipment

Depreciation on Property, plant and equipment are provided under the written down value method of depreciation ('WDV') using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under the Schedule II to the Companies Act, 2013.

The estimated useful lives for property, plant and equipment is as follows:

Assets	Useful life as stated in the Companies Act, 2013 (in years)	Useful life as estimated by the Management (in years)
Factory buildings	30	30
Non-factory buildings	60	60
Plant and machinery	8-25	8-25
Data Processing equipment	3-6	3-6
Furniture and fixtures	10	10
Office equipment	5	5
Vehicles	8	8

ii) The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

iii) On tangible property, plant and equipment added / disposed-off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

iv) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

h) Intangible assets

Intangible assets, namely Computer Software are recorded at their acquisition cost and are amortised using the WDV method over their useful lives.

i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which separately identifiable cash inflows can be generated which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, (including any non-cash assets transferred or liabilities assumed), is recognised in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

k) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised up-to the time when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

l) Transactions in foreign currencies

i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

m) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials and components, packing materials, stores and spares, work-in-process and finished goods are ascertained on a weighted average basis.

ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

iii) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

v) Slow and non-moving material, obsolesces, defective inventories are duly provided for.

n) Employee benefits

i) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of

employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term employee benefit:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised as profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees; and
- b) Defined contribution plans such as provident fund.

a) Gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iv) Bonus plans:

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where statutory liability exists, contractually obliged or where there is a past practice that has created a constructive obligation.

o) Income tax

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined

using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

p) Provisions and contingent liabilities

i) Provisions:

A provision is recorded when the Company has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

q) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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 (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

r) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the conditions attached to it.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented under other income.

Grants related to income are recognised in statement of profit or loss by deducting it from the the related expense.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

t) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

u) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

v) Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

w) Investments and Other financial assets

i) Classification

The Company classifies its financial assets as those subsequently measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 37 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets:

A financial asset is de-recognised only when:

- a) the Company has transferred the rights to receive cash flows from the financial asset or
- b) the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

x) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

y) Recent accounting announcements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 applicable from 1st April, 2022. Amendments applicable to the Company are given below:

Ind AS 16 - Proceeds before intended use - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment, amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in the statement of profit and loss. The Company does not expect the amendments to have any impact in its recognition of its

property, plant and equipment in its financial statements. Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract - The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the financial statements for the year ended March 31, 2022
(All amounts are in ₹ Lakhs except for share data or otherwise stated)

2. Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deletions	As at March 31, 2022	As at March 31, 2021
Land - freehold	1,550.27	110.56	-	1,660.83	-	-	-	1,660.83	1,550.27
Factory buildings	4,663.52	-	15.83	4,647.69	433.82	421.89	-	855.70	4,229.70
Non-factory buildings	2,393.91	-	-	2,393.91	111.00	115.19	-	226.19	2,282.91
Plant and equipment	13,838.33	-	393.83	13,444.50	1,689.31	1,430.69	-	3,120.00	12,149.03
Furniture and fixtures	3.94	-	-	3.94	1.33	1.17	-	2.50	2.61
Office equipment	2.34	-	-	2.34	0.48	0.26	-	0.74	1.86
Vehicles	265.81	-	51.92	213.89	77.48	48.99	16.15	110.32	188.33
Data Processing equipments	3.86	7.83	-	11.68	2.02	3.20	-	5.22	1.84
Total	22,721.98	118.39	461.58	22,378.78	2,315.44	2,021.39	16.15	4,320.67	20,406.55
Capital Work in Progress									-

3. Other intangible assets

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deletions	As at March 31, 2022	As at March 31, 2021
Computer Software	-	-	-	-	-	-	-	-	-
- Acquired	0.57	-	-	0.57	0.57	-	-	0.57	-
Total	0.57	-	-	0.57	0.57	-	-	0.57	-

Notes to the financial statements for the year ended March 31, 2022
(All amounts are in ₹ Lakhs except for share data or otherwise stated)

4. Investment Property

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deletions	As at March 31, 2022	As at March 31, 2021
Residential Buildings [^]	111.58	-	-	111.58	1.36	1.34	-	108.88	110.22
	111.58	-	-	111.58	1.36	1.34	-	108.88	110.22

Disclosure under Ind AS 40

Particulars	FY 2021-22	FY 2020-21
Rental Income from Investment Property	-	-
Less: Direct operating expenses (amount paid towards one-time Corpus fund, one-time Power backup charges and annual maintenance charges)	4.50	-
Income/(Loss) from Investment property (net)	(4.50)	-

[^] The fair value of the Investment property is Rs 119.00 Lakhs as at March 31, 2022

Notes:

Refer to note 41 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

2. Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows:

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at April 1, 2020	Additions	Deletions / Adjustments	As at March 31, 2021	As at April 1, 2020	Depreciation for the year	Deletions	As at March 31, 2021	As at March 31, 2020
Land - freehold	1,550.27	-	-	1,550.27	-	-	-	1,550.27	1,550.27
Factory buildings	4,014.28	649.24	-	4,663.52	-	433.82	-	4,229.70	4,014.28
Non-factory buildings	2,269.28	124.63	-	2,393.91	-	111.00	-	2,282.91	2,269.28
Plant and equipment	13,676.01	162.33	-	13,838.33	-	1,689.31	-	12,149.03	13,676.01
Furniture and fixtures	3.94	-	-	3.94	-	1.33	-	2.61	3.94
Office equipment	2.34	-	-	2.34	-	0.48	-	1.86	2.34
Vehicles	239.03	26.77	-	265.81	-	77.48	-	188.33	239.03
Data Processing equipments	2.58	1.28	-	3.86	-	2.02	-	1.84	2.58
Total	21,757.73	964.25	-	22,721.98	-	2,315.44	-	20,406.55	21,757.73
Capital Work in Progress									261.74

Notes to the financial statements for the year ended March 31, 2022
(All amounts are in ₹ Lakhs except for share data or otherwise stated)

CWIP Ageing

Ageing for Capital work in progress as at April 1, 2020 is as follows :-

CWIP	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress*	224.51	37.23	-	-	261.74
Total	224.51	37.23	-	-	261.74

* These projects have been completed and capitalized during FY 2020-21

3. Other intangible assets

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount	
	As at April 1, 2020	Additions	Deletions / Adjustments	As at April 1, 2020	Depreciation for the year	Deletions	As at March 31, 2021	As at March 31, 2020
Computer Software								
- Acquired	0.57	-	-	-	0.57	-	0.57	0.57
Total	0.57	-	-	-	0.57	-	0.57	0.57

4. Investment Property

Asset Description	Gross carrying amount			Accumulated Depreciation			Net carrying amount	
	As at April 1, 2020	Additions	Deletions / Adjustments	As at April 1, 2020	Depreciation for the year	Deletions	As at March 31, 2021	As at March 31, 2020
Residential Buildings		111.58	-	-	1.36	-	1.36	-
	-	111.58	-	-	1.36	-	1.36	-

Disclosure under Ind AS 40

Particulars	FY 2020-21	FY 2019-20
Rental Income from Investment Property	-	-
Less: Direct operating expenses (amount paid towards one-time Corpus fund, one-time Power backup charges and annual maintenance charges)	-	-
Income/(Loss) from Investment property (net)	-	-

Notes:

Refer to note 41 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

5 Financial Assets - Investments

	March 31, 2022	March 31, 2021	April 1, 2020
Investments in debentures			
Nil (March 31, 2021: 8,500) 14% secured non-convertible debentures of ₹1,00,000 each fully paid-up in Bhavya Constructions Pvt. Limited (refer note 5a & note 5b)	-	8,500.00	-
	-	8,500.00	-
	March 31, 2022	March 31, 2021	April 1, 2020
Aggregate amount of quoted investments	-	-	-
Aggregate amount of unquoted investments	-	8,500.00	-
Aggregate amount of impairment value of the unquoted investments	-	-	-

5a. During the current year, i.e. FY 2021-22, the company has received proceeds of ₹8,500 Lakhs from redemption of NCDs, along with the applicable interest coupon from the date of subscription (i.e. December 23, 2020) till the date of redemption (i.e. June 7, 2021).

5b. During the previous year, i.e. FY 2020-21, the company has subscribed to 8,500 Nos of Secured NCDs with Face Value of ₹1,00,000 each issued by the then holding company, Bhavya Constructions Pvt. Limited on December 23, 2020. These NCDs carry a coupon rate of 14% p.a. , which were receivable along with the redemption of NCDs.

6 Financial Assets - Others

	March 31, 2022	March 31, 2021	April 1, 2020
Non Current			
Unsecured, considered good			
Sales tax incentives receivable	375.57	340.46	741.05
Power incentives receivable	1,104.40	1,001.14	897.88
Security deposits	21.39	465.26	-
Bank deposits due to mature after 12 months of the reporting date	-	370.99	79.53
Interest accrued on investments	-	319.51	-
Total other financial assets - non-current	1,501.36	2,497.36	1,718.46
Current			
Security deposits	17.76	18.29	110.74
Interest receivable	29.74	69.35	45.60
Total other financial assets - current	47.50	87.64	156.34

7 Other non-current assets

	March 31, 2022	March 31, 2021	April 1, 2020
Capital advances	-	1,245.54	117.10
Balances with statutory authorities	17.44	17.44	17.76
Security deposits	791.43	790.56	830.85
Advance Income tax	-	-	61.27
	808.87	2,053.54	1,026.98

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

8 Inventories

	March 31, 2022	March 31, 2021	April 1, 2020
Raw materials	98.67	129.23	160.71
Work-in-progress	777.41	163.32	497.23
Finished goods	77.51	74.50	371.13
Packing materials	107.89	107.54	96.35
Stores & spares	764.41	552.17	421.35
Coal	282.92	498.02	687.93
	2,108.81	1,524.78	2,234.70

9 Trade receivables

	March 31, 2022	March 31, 2021	April 1, 2020
Trade receivables	3,871.12	2,567.85	4,049.44
Less: Allowance for doubtful debts	(117.40)	(69.87)	(206.85)
Total Trade receivables	3,753.72	2,497.98	3,842.59
Breakup of trade receivables			
a) Trade receivables considered good - secured	373.17	329.89	495.97
b) Trade receivables considered good - unsecured	3,436.43	2,142.51	3,296.56
c) Trade receivables which have significant increase in credit risk	44.17	72.81	39.08
d) Trade receivables - credit impaired	17.35	16.17	217.83
e) Trade receivables from related parties	-	6.47	-
Total	3,871.12	2,567.85	4,049.44
Less: Allowance for doubtful debts	(117.40)	(69.87)	(206.85)
Total Trade receivables	3,753.72	2,497.98	3,842.59

Ageing for trade receivables - billed - current outstanding as at March 31, 2022 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables-considered good	1,631.97	1,464.98	429.00	283.65	-	-	3,809.61
ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	18.05	26.12	44.17
iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	0.12	12.66	4.57	17.35
vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	1,631.97	1,464.98	429.00	283.77	30.71	30.69	3,871.12

Trade receivables- Unbilled : There are no unbilled trade receivables as at March 31, 2022

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Ageing for trade receivables - billed - current outstanding as at March 31, 2021 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables-considered good	1,241.94	958.47	126.40	152.06	-	-	2,478.87
ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	4.48	68.33	-	72.81
iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
v) Disputed trade receivables-which have significant increase in credit risk	-	-	0.64	12.66	-	2.86	16.17
vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	1,241.94	958.47	127.04	169.20	68.33	2.86	2,567.85

Trade receivables- Unbilled : There are no unbilled trade receivables as at March 31, 2021

Ageing for trade receivables - billed - current outstanding as at April 1, 2020 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables-considered good	1,087.56	1,800.08	530.58	374.30	-	-	3,792.53
ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables-credit impaired	-	-	-	-	1.67	37.41	39.08
iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	7.81	210.02	217.83
vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	1,087.56	1,800.08	530.58	374.30	9.48	247.43	4,049.44

Trade receivables- Unbilled : There are no unbilled trade receivables as at March 31, 2021

10 Cash and cash equivalents

	March 31, 2022	March 31, 2021	April 1, 2020
Cash and cash equivalents			
Balances with banks			
In current accounts	347.39	1,197.23	133.52
Deposits with original maturity of less than three months	-	219.73	124.49
Cash in hand	1.50	5.47	7.63
	348.89	1,422.43	265.64

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

11 Bank Balances other than cash and cash equivalents above

	March 31, 2022	March 31, 2021	April 1, 2020
Balances with banks			
Term deposits	5.29	42.31	159.47
Margin Money against Bank Guarantee	81.95	70.00	70.00
	87.24	112.31	229.47

12 Other current assets

	March 31, 2022	March 31, 2021	April 1, 2020
Unsecured, considered good			
Advance recoverable in cash or kind	1,573.54	765.36	375.09
Prepaid expenses	68.73	81.63	55.62
Balances with statutory authorities	-	-	0.91
	1,642.27	846.99	431.62

13 Share capital

	March 31, 2022	March 31, 2021	April 1, 2020
Authorised share capital			
140,000,000 (March 31, 2021 : 140,000,000) equity shares of ₹10 each	14,000.00	14,000.00	12,000.00
	14,000.00	14,000.00	12,000.00
Issued, subscribed and paid-up			
132,315,875 (March 31, 2021 : 139,921,875) equity shares of ₹10 each	13,231.59	13,992.19	11,192.77
	13,231.59	13,992.19	11,192.77

The Board of Directors at its meeting held on February 7, 2022, approved a proposal to buy-back upto 7,606,000 equity shares of the Company for an aggregate amount not exceeding ₹3,999.99 Lakhs, which is not exceeding 25% of the aggregate of the issued, subscribed and paid up equity share capital and free reserves at ₹52.59 per equity share. The shareholders approved the same on February 16, 2022, by way of a special resolution through postal ballot. A Letter of Offer was made to all eligible shareholders.

The Company bought back 7,606,000 equity shares out of the shares that were tendered by the eligible shareholders on March 18, 2022 and extinguished the said equity shares on March 23, 2022. Capital Redemption Reserve was created to the extent of par value of share capital extinguished (i.e. ₹760.60 Lakhs). The excess cost of buy-back of ₹3,239.39 Lakhs over par value of shares were offset from Securities Premium Account and the corresponding tax on buy-back of ₹928.54 Lakhs were offset from Retained Earnings respectively.

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	March 31, 2022		March 31, 2021		April 1, 2020	
	Number	Amount	Number	Amount	Number	Amount
At the commencement of the year	139,921,875	13,992.19	111,927,749	11,192.77	79,600,000	7,960.00
Add: Bonus shares issued	-	-	27,994,126	2,799.42	32,327,749	3,232.77
Less: Share Buyback done during the year	(7,606,000)	(760.60)	-	-	-	-
At the end of the year	132,315,875	13,231.59	139,921,875	13,992.19	111,927,749	11,192.77

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of and amounts paid on equity shares held.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

b) Shares held by the Holding Company

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

	March 31, 2022	March 31, 2021	April 1, 2020
Anjani Portland Cement Limited 13,10,96,395 (March 31, 2021 : Nil) equity shares of ₹10 each fully paid.	1,310.96	-	-
Bhavya Constructions Pvt. Limited 10,47,36,525 (April 1, 2020 : 8,37,89,221) equity shares of ₹10 each fully paid.	-	1,047.37	837.89

c) Particulars of shareholders holding more than 5% equity in the Company:

Name of the shareholder	March 31, 2022		March 31, 2021		April 1, 2020	
	Number	% holding in the class	Number	% holding in the class	Number	% holding in the class
Anjani Portland Cement Limited	131,096,395	99.08%	-	-	-	-
Bhavya Constructions Pvt. Limited	-	-	104,736,525	74.85%	83,789,221	74.86%
V Ananda Prasad	852,451	0.64%	13,524,593	9.67%	10,819,674	9.67%

d) Shareholding of promoters at the end of March 31, 2022

Name of the promoter	No of shares at beginning of the year	No of shares at the end of the year [^]	% of total shares at the end of the year	% of change during the year
Anjani Portland Cement Limited (promoter w.e.f. June 8, 2021)	-	131,096,395	99.08%	100.00%
Bhavya Constructions Pvt. Limited (ceased to be a promoter w.e.f June 8, 2021)	104,736,525	-	0.00%	-100.00%
V Ananda Prasad (ceased to be a promoter w.e.f June 8, 2021)	13,524,593	852,451	0.64%	-93.70%
V Aditya (ceased to be a promoter w.e.f. June 8, 2021)	2,839,247	200,281	0.15%	-92.95%
V Krishna Kumari (ceased to be a promoter w.e.f. June 8, 2021)	2,579,625	141,268	0.11%	-94.52%
P. Shiva Kumar (ceased to be a promoter w.e.f. June 8, 2021)	3,048,047	-	0.00%	-100.00%

[^] Share Purchase Agreement was executed on May 26, 2021 between Anjani Portland Cement Limited and Bhavya Constructions Private Limited, Mr V Ananda Prasad, Mrs V Krishna Kumari and Mr V Aditya ("Selling Shareholders") for acquisition of 11,54,55,015 equity shares aggregating to 82.51% of the paid-up equity share capital of the Company. The acquisition transaction was completed on June 7, 2021 and by virtue of the same, the company has become a subsidiary of Anjani Portland Cement Limited from the closing business hours of June 7, 2021. Further, Anjani Portland Cement Limited has also acquired 1,56,41,380 equity shares of the company, aggregating to 16.57% of the equity share capital of the company from its existing shareholders on various dates till March 31, 2022.

e) Shareholding of promoters at the end of March 31, 2021

Name of the promoter	No of shares at beginning of the year	No of shares at the end of the year ^{^^}	% of total shares at the end of the year	% of change during the year
Bhavya Constructions Pvt. Limited	83,789,221	104,736,525	74.85%	0.00%
V Ananda Prasad	10,819,674	13,524,593	9.67%	0.00%
V Aditya	2,271,398	2,839,247	2.03%	0.00%
V Krishna Kumari	2,063,700	2,579,625	1.84%	0.00%
P. Shiva Kumar	2,438,438	3,048,047	2.18%	0.00%

^{^^} Bonus shares have been issued during FY 2020-21 in the month of November 2020 in 1:4 ratio. Accordingly, bonus shares have been issued to promoters along with other shareholders in the said ratio. There is no change in promoter shareholding during the year.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

f) Shareholding of promoters at the end of March 31, 2020

Name of the promoter	No of shares at beginning of the year	No of shares at the end of the year ^{^^^}	% of total shares at the end of the year	% of change during the year
Bhavya Constructions Pvt. Limited	59,583,447	83,789,221	74.86%	0.00%
V Ananda Prasad	7,693,990	10,819,674	9.67%	0.00%
V Aditya	1,615,216	2,271,398	2.03%	0.00%
V Krishna Kumari	1,467,520	2,063,700	1.84%	0.00%
P. Shiva Kumar	1,734,000	2,438,438	2.18%	0.00%

^{^^^} Bonus shares have been issued during FY 2019-20 in the months of June 2019 and March 2020 in 1:8 and 1:4 ratio respectively. Accordingly, bonus shares have been issued to promoters along with other shareholders in the said ratio. There is no change in promoter shareholding during the year.

14 Other Equity

	March 31, 2022	March 31, 2021	April 1, 2020
a) Securities premium			
At the commencement of the year	3,375.00	3,375.00	3,675.00
Less: Utilized towards issue of bonus shares	-	-	(300.00)
Less: Utilized towards equity share buyback	(3,239.40)	-	-
Less: Transfer to Capital Redemption Reserve	(135.60)	-	-
At the end of the year	-	3,375.00	3,375.00
b) Debenture redemption reserve			
At the commencement of the year	-	135.00	507.75
Add: Amount transferred during the year	-	-	-
Less: Utilised for repayment of debentures	-	(135.00)	(372.75)
At the end of the year	-	-	135.00
c) Capital redemption reserve			
At the commencement of the year	-	-	-
Add: Amount transferred during the year	760.60	-	-
Less: Utilised during the year	-	-	-
At the end of the year	760.60	-	-
d) Retained earnings			
Balance as per last financial statement	1,085.58	(1.55)	1,309.08
Add: Profit for the year	2,740.79	3,751.54	1,249.40
Add: Transfer from Debenture Redemption Reserve	-	135.00	372.75
Less: Appropriations			
Utilised towards issue of bonus shares	-	(2,799.41)	(2,932.78)
Transfer to Capital Redemption Reserve	(625.00)	-	-
Utilised towards payment of buyback tax	(928.54)	-	-
Total appropriations	(1,553.54)	(2,799.41)	(2,932.78)
Net surplus in the statement of profit and loss	2,272.83	1,085.58	(1.55)
e) Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss Account			
Opening Balance	(11.13)	-	-
Remeasurement of Post employment benefit obligation	37.17	(11.13)	-
Closing Balance	26.04	(11.13)	-
Other Equity	3,059.47	4,449.45	3,508.45

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Nature and purpose of other reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Debenture redemption reserve

Debenture redemption reserve is a fund maintained by the companies that have issued debentures. It aims to minimize the risk of default on repayment of debentures. DRR ensures that the funds are available for meeting obligations towards debenture holders.

c) Capital redemption reserve

This is a non-distributable statutory reserve which can be utilised in accordance with the provisions of Companies Act, 2013.

d) Retained earnings

This reserve represents the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

15 Borrowings

	March 31, 2022		March 31, 2021		April 1, 2020	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured						
13% Non Convertible Debentures	-	-	-	-	527.26	-
From Banks (refer note 15a, note 15b, note 15f, note 15g)	1,500.00	3,000.00	22.71	1,067.29	353.31	1,262.29
From NBFC (refer note 15c, note 15e, note 15g)	-	-	1,231.37	9,316.93	1,241.69	2,559.33
Vehicle loan (refer note 15d, note 15g)	-	-	52.49	-	78.18	52.49
	1,500.00	3,000.00	1,306.57	10,384.22	2,200.44	3,874.11
Amount disclosed under current maturities (refer note 18)	(1,500.00)	-	(1,306.57)	-	(2,200.44)	-
	-	3,000.00	-	10,384.22	-	3,874.11

15a. During the current year, i.e. FY 2021-22, the company has availed Working Capital Term Loan of ₹4,500 Lakhs from HDFC Bank, carrying interest rate of 6.05% p.a., repayable in 12 equal quarterly repayments starting from June 2, 2022 and ending on March 2, 2025. The same is secured under hypothecation by way of exclusive charge on movable fixed assets (Plant & Machinery) of the Company at 1.3 times of the loan, amounting to ₹5,850 lakhs.

15b. During the previous year, i.e. FY 2020-21, the Company has availed Guaranteed Emergency Credit Line 2.0 (GECL 2.0) working capital term loan sanctioned by Yes Bank Limited for ₹1,090 Lakhs carrying interest rate of 9.25% p.a., repayable in 48 equal monthly instalments starting from March 31, 2022. The same were secured by way of second pari-passu charge on and charge on entire fixed assets and current assets of the Company, present and future, and first and exclusive charge on the corporate office building owned by Bhavya Constructions Private Limited located at plot no 1 at Sy.no 403, Shaikpet Village, Filmnagar, Jubilee Hills, Hyderabad. The said facility is further 100% Guaranteed by National Credit Guarantee Trust Company Limited (NCGTCL).

However, during the year FY 2021-22, the Company has pre-closed the loan amount in two tranches i.e. ₹400 Lakhs on June 19, 2021 and ₹ 690 Lakhs on July 3, 2021.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

15c. During the previous year, i.e. FY 2020-21, the company has availed Term loans from NBFCs i.e. ₹7,500 Lakhs from Kotak Mahindra Investments Limited and ₹5,000 Lakhs from Axis Finance Limited carrying a fixed interest rate of 11.15% p.a. repayable in 24 quarterly installments starting from January 1, 2021 and ending on September 30, 2026. The same were secured by way of pari-passu first mortgage and charge over the immovable and movable properties, both present and future and second charge by way of hypothecation over all the movable current assets, both present and future. The said loan was further secured by way of pledge of 89% of the equity share of the Company and personal guarantees of the then promoters (Mr. V. Ananda Prasad, Mrs V. Krishna Kumari and Mr V. Aditya) of the Company.

However, during the year FY 2021-22, the Company has pre-closed the entire loan amount on June 7, 2021 by paying a prepayment penalty of ₹221.53 Lakhs (excl. of GST)

15d. During FY 2019-20, the company has availed Vehicle loans of ₹130.67 Lakhs from Axis Bank carrying interest rate of 8.41% p.a. repayable in 17 equated monthly instalments of each ₹8.64 lakhs starting from March 15, 2020. The same were secured by hypothecation of vehicle to the Bank as well as personal guarantees of the then promoter (Mr. V. Ananda Prasad).

However, during the year FY 2021-22, the Company has pre-closed the entire loan amount on June 23, 2021 by paying a prepayment penalty of ₹0.55 Lakhs (excl. of GST)

15e. As at April 1, 2020, the company has 540 Nos of secured redeemable Non-Convertible Debentures (NCD) of ₹100,000 each at an aggregate value equal to the face value. These instruments were carrying an Interest rate of 13% p.a. These NCD's were secured by way of pari-passu first mortgage and charge over the immovable and movable properties present and future and second charge by way of hypothecation over all the movable current assets, both present and future. The NCDs are further secured by pledge of 90.02% of the equity shares of the Company held by the then promoters and personal guarantees of Mr. V. Ananda Prasad and Mrs. V. Krishna Kumari.

As at April 1, 2020, the company has Term loans from NBFC i.e., KKR India Financial Services Private Limited, which were carrying fixed return of 13% p.a. on ₹524 Lakhs, which were secured by way of pari-passu first mortgage and charge over the immovable and movable properties present and future and second charge by way of hypothecation over all the movable current assets, both present and future. The said loan is further secured by pledge of 90.02% of the equity share of the Company held by the then promoters and personal guarantees of Mr. V. Ananda Prasad and Mrs. V. Krishna Kumari.

As at April 1, 2020, the company has Term loans from NBFC i.e. KKR India Financial Services Private Limited which were carrying fixed return of 11.40% p.a on ₹3,300 Lakhs, repayable in 9 quarterly instalments starting from December 31, 2020, is secured by way of pari-passu first mortgage and charge over the immovable and movable properties present and future and second charge by way of hypothecation over all the movable current assets, both present and future. The said loan is further secured by pledge of 90.02% of the equity share of the Company held by the then promoters and personal guarantees of Mr. V. Ananda Prasad and Mrs V. Krishna Kumari.

15f. As at April 1, 2020, the company has Term loans from Yes Bank carrying interest rate of one year MCLR plus 2% p.a. on ₹1,628.35 Lakhs repayable in 9 equal quarterly instalments starting from December 31, 2020. The same were secured by way of second pari-passu charge on entire fixed assets and current assets of the Company, present and future, and first and exclusive charge on the corporate office building owned by Bhavya Constructions Private Limited located at plot no. 1 at Sy.no 403, Shaikpet Village, Filmnagar, Jubilee Hills, Hyderabad. The said facility is further secured by unconditional and irrevocable personal guarantees of the then promoters, Mr. V. Ananda Prasad, Mrs V. Krishna Kumari, Mr. V. Aditya and Mr. Shivakumar Pokala.

15g. The carrying amount of financial and non financial assets pledged as security for non current borrowings are disclosed in Note 44.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

16 Provisions

	March 31, 2022		March 31, 2021		April 1, 2020	
	Current	Non Current	Current	Non Current	Current	Non Current
Provision for employee benefits						
- Gratuity	3.86	27.96	4.50	45.19	3.82	93.40
- Compensated absences	0.98	70.34	4.00	141.07	-	120.06
Others						
De-Commissioning Liability (refer Note 45.B.5 of First time adoption of IND-AS)	-	106.61	-	95.62	-	85.76
	4.84	204.91	8.50	281.88	3.82	299.22

17 Deferred tax liabilities (net)

	March 31, 2022	March 31, 2021	April 1, 2020
Deferred tax liabilities			
On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	1,029.39	980.58	656.04
DTA Addition/ (Reversal) on account of Ind AS	7.88	84.91	(24.59)
Gross deferred tax liabilities	1,037.27	1,065.48	631.44
Deferred tax asset			
Impact of expenditure debited to statement of profit or loss but allowable for tax pupose on payment basis	32.21	51.67	57.19
Provision for site restoration expenses	-	38.91	31.73
Allowance for doubtful trade receivables	29.55	5.08	63.44
Gross deferred tax assets	61.76	95.67	152.36
Deferred tax liabilities (net)	975.51	969.81	479.08

Movement in deferred tax liabilities/(assets) - FY 2021-22

Particulars	On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	Impact of expenditure debited to statement of profit or loss but allowable for tax pupose on payment basis	Allowance for doubtful trade receivables	Others	Total
At March 31, 2021	980.58	(90.59)	(5.08)	84.91	969.81
to profit or loss	48.82	58.37	(24.47)	(89.53)	(6.80)
to other comprehensive income	-	-	-	12.50	12.50
At March 31, 2022	1,029.39	(32.21)	(29.55)	7.88	975.51

Movement in deferred tax liabilities/(assets) - FY 2020-21

Particulars	On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	Impact of expenditure debited to statement of profit or loss but allowable for tax pupose on payment basis	Allowance for doubtful trade receivables	Others	Total
At April 1, 2020	656.04	(88.92)	(63.44)	(24.59)	479.08
to profit or loss	324.54	(1.67)	58.36	113.25	494.48
to other comprehensive income	-	-	-	(3.75)	(3.75)
At March 31, 2021	980.58	(90.59)	(5.08)	84.91	969.81

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

18 Current Borrowings

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Secured			
Working capital loan from banks (refer note 18a , note 18b, note 18c, note 18d)	1,679.70	2,000.00	3,558.34
Current maturities of long term borrowings (refer note 15)	1,500.00	1,306.57	2,200.44
	3,179.70	3,306.57	5,758.78

18a During the current year, i.e. FY 2021-22, the company has availed Working capital facilities of ₹4,500 Lakhs from HDFC Bank and the same are secured by way of exclusive charge on inventory and trade receivables of the company. The working capital loans are repayable on demand and the loans carry an interest rate of 7.35% p.a.

18b During the previous year, i.e. FY 2020-21, the company has availed Working capital facilities of ₹7,000 Lakhs from Yes Bank Limited which were secured by way of a first charge on the present and future current assets of the Company and a second charge on the fixed assets of the Company, both present and future. Further, the loans were secured by way of pari-passu charge on the commercial office property at Jubilee Hills, Hyderabad in the name of Bhavya Constructions Private Limited. They are also secured by way of personal guarantee of the then promoters (Mr. V. Ananda Prasad, Mrs V. Krishna Kumari, Mr. Aditya Venigalla and Mr. P. Shiva Kumar). The working capital loans are repayable on demand. Interest is charged at 10.20% p.a to 11.75% p.a, as may be determined by the bank from time to time. In addition, the company also avails working capital demand loans from Yes Bank, with tenor ranging from 60 days to 90 days and interest on these working capital demand loans are charged at 7.50%-9.50% p.a. as may be determined by the bank from time to time.

However, during the current year, i.e. FY 2021-22, the company has closed working capital facilities with Yes Bank Limited on March 15, 2022.

18c. As at April 1, 2020, the company has availed working capital facilities from Yes Bank which were secured by a first charge on the present and future current assets of the Company and a second charge on the fixed assets of the Company. Further, the loans are secured by way of first exclusive charge on commercial office property at Jubilee Hills, Hyderabad in the name of Bhavya Constructions Private Limited. They are also secured by way of personal guarantee of the then promoters, Mr. V. Ananda Prasad, Mrs V. Krishna Kumari, Mr. Aditya Venigalla and Mr. P. Shiva Kumar. The working capital facilities were repayable on demand. Interest is charged at 11.25% p.a to 11.55% p.a, as may be determined by bank from time to time

18d. The carrying amount of financial and non financial assets pledged as security for current borrowings are disclosed in Note 44

19 Trade payables

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Total outstanding dues of micro and small enterprises	684.80	100.13	64.07
Total outstanding dues of creditors other than micro and small enterprises	1,912.51	3,719.58	3,472.52
	2,597.31	3,819.71	3,536.59

Ageing for trade payables as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME*	679.51	5.29	-	-	-	684.80
ii) Others	1,857.79	31.67	0.95	-	22.10	1,912.51
iii) Disputed dues MSME*	-	-	-	-	-	-
iv) Disputed dues others	-	-	-	-	-	-
Total	2,537.30	36.96	0.95	-	22.10	2,597.31

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Ageing for trade payables as at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME*	81.28	18.85	-	-	-	100.13
ii) Others	3,613.53	77.30	6.67	4.36	17.72	3,719.58
iii) Disputed dues MSME*	-	-	-	-	-	-
iv) Disputed dues others	-	-	-	-	-	-
Total	3,694.81	96.15	6.67	4.36	17.72	3,819.71

Ageing for trade payables as at March 31, 2020

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME*	42.90	21.17	-	-	-	64.07
ii) Others	2,759.32	694.89	18.04	0.27	-	3,472.52
iii) Disputed dues MSME*	-	-	-	-	-	-
iv) Disputed dues others	-	-	-	-	-	-
Total	2,802.22	716.06	18.04	0.27	-	3,536.59

* MSME as per Micro, Small and Medium Enterprises Development Act, 2006

20 Other financial liabilities

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Deposits from dealers	754.70	688.85	578.53
Capital creditors	6.65	55.36	102.15
Retention money	2.48	607.48	615.62
Accrued interest	21.63	12.45	51.91
	785.46	1,364.14	1,348.21

21 Other current liabilities

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Advance from customers	369.96	875.30	1,369.11
Statutory dues payable	862.16	926.88	438.84
	1,232.12	1,802.18	1,807.95

22 Current tax liabilities (net)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Provision for taxes (net of advance tax)	189.30	69.22	116.87
	189.30	69.22	116.87

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

23. Revenue from operations

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products - (Net of Discounts)	40,529.92	39,276.88
Other operating revenue		
Scrap sales	106.25	67.15
	40,636.17	39,344.03
Break-up of revenue from sale of goods		
Manufactured goods		
Cement	40,529.92	39,143.65
Clinker	-	133.23
	40,529.92	39,276.88

23.1: Disaggregated Revenue Disclosures are not applicable to the Company since the Company deals mainly in one product i.e manufacturing and selling of cement.

23.2: Trade Receivables and Contract Balances

a) The Company classifies the right to consideration in exchange for deliverables as receivables.

b) A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance sheet

23.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations

24. Other income

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
Bank deposits	20.30	24.26
Investments (refer note 5a and note 5b)	221.70	319.51
Others	43.04	67.04
Interest income from financial assets at amortised cost	140.99	151.91
Liabilities no longer required written back	1.21	23.72
Net gain on disposal of property, plant and equipment	40.03	-
	467.27	586.44

25. Cost of raw materials consumed

	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	129.23	160.71
Add : Purchases	5,334.15	4,021.94
Less : Inventory at the end of the year	(98.67)	(129.23)
Raw Material consumed during the year	5,364.71	4,053.42
Break-up of cost of materials consumed		
Limestone	2,131.79	1,918.42
Laterite	618.44	653.94
Slag	57.25	-
Gypsum	808.70	857.09
Fly ash	730.93	599.83
Clinker	1,017.60	24.14
	5,364.71	4,053.42
Breakup of inventory - raw materials		
Limestone	32.66	48.66
Laterite	15.64	58.57
Slag	3.43	-
Gypsum	46.60	12.13
Fly ash	0.34	9.87
	98.67	129.23

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

26. Changes in inventories of work-in-progress and finished goods

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening work-in-progress	163.32	497.22
Opening finished goods	74.50	371.13
	237.82	868.35
Closing work-in-progress	777.41	163.32
Closing finished goods	77.51	74.50
	854.92	237.82
Net changes in inventories of work-in-progress and finished goods	(617.10)	630.53

27. Employee benefits expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	1,136.13	961.97
Contribution to provident fund and other funds (refer note 39)	84.38	77.19
Gratuity expense (refer note 39)	46.08	37.59
Compensated absences	(21.66)	55.71
Staff welfare expense	54.26	44.53
Directors' remuneration	18.60	111.60
	1,317.79	1,288.59

28. Finance costs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses		
On term loans	275.39	814.50
On working capital loans	111.41	156.69
On financial liabilities calculated using effective interest rate	524.23	(331.58)
Others	11.55	102.23
Loan Preclosure charges (refer note 15c and note 15d)	222.08	-
Other Borrowing costs	13.89	659.63
	1,158.55	1,401.47

29. Depreciation and amortisation expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant & equipment (refer note 2)	2,021.39	2,315.44
Amortization of intangible assets (refer note 2)	-	0.57
Depreciation on Investment Property (refer note 3)	1.34	1.36
Amortization of Right-of-use Assets	(35.75)	73.97
	1,986.98	2,391.34

30. Power and Fuel

	For the year ended March 31, 2022	For the year ended March 31, 2021
Power Cost	4,028.87	4,536.35
Coal Cost	14,198.01	8,967.52
	18,226.88	13,503.87

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

31. Other expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	1,528.18	1,498.78
Packing material consumed	1,481.43	1,261.02
Labour charges	452.07	453.67
Repairs and maintenance		
Building	25.13	20.04
Plant & machinery	232.59	157.73
Others	11.41	19.28
Printing and communication	28.73	19.25
Rent	62.42	23.96
Rates and taxes	67.64	108.04
Travelling and conveyance	63.64	58.45
Legal and professional	153.62	273.86
Payments to auditor*	6.14	20.59
Insurance	101.09	71.21
Advances written off	-	102.05
Bad debts written off	8.90	410.80
Selling expenses	67.03	354.41
Advertisement and sales promotion	36.67	21.04
Office maintenance	166.85	189.59
Provision for doubtful debts	47.53	(136.98)
Loss on foreign currency transactions (net)	-	11.56
Corporate social responsibility (refer note 42(b))	47.97	24.09
Donations	-	10.00
Bank charges	10.89	15.40
Miscellaneous expenses	15.08	14.83
	4,615.01	5,002.67
*Payments to auditor		
Audit fee	5.00	19.00
In other capacity:		
Quarterly review fees	1.13	-
Other services (certification fees)	0.01	1.50
Reimbursement of expenses	-	0.09
	6.14	20.59

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

32. Income tax expense

a) Income tax expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax		
Current tax on profits for the year	865.12	794.49
Adjustment for current tax of prior periods	0.55	13.93
Total Current tax expense	865.67	808.42
Deferred Tax		
Decrease/(Increase) in deferred tax assets	33.92	56.69
(Decrease)/Increase in deferred tax liabilities	(40.72)	437.80
Total deferred tax expense/(benefit)	(6.80)	494.49
Total	858.87	1,302.91

b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before income tax expense	3,599.66	5,054.45
Tax at the Indian tax rate of 25.168%	905.96	1,272.10
Reduction in deferred tax due to adoption of reduced corporate tax rate under section 115 BAA of Income Tax Act, 1961	-	-
Tax arising on account of effect of disallowed expenses and effect of allowed expenses	(47.64)	16.88
Prior period tax expense	0.55	13.93
Income tax expense	858.87	1,302.91

33. Earnings per share

(a) Basic earnings per share

Particulars	March 31, 2022	March 31, 2021
Basic earnings per share attributable to the equity holders of the Company in Rupees	1.96	2.68

(b) Diluted earnings per share

Particulars	March 31, 2022	March 31, 2021
Diluted earnings per share attributable to the equity holders of the Company in Rupees	1.96	2.68

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(c) Reconciliations of earnings and number of shares used in calculating earnings per share

Particulars	March 31, 2022	March 31, 2021
Basic/Diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	2,740.79	3,751.54
Weighted average number of Equity Shares outstanding during the year (In Number)	139,630,138	139,921,875
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	2,740.79	3,751.54

34. Related party transactions

The related party relationships is as identified by the company and relied upon by the auditor.

(a) Parent entities

The Company is controlled by the following entities:

Name of the Company	Ownership interest held by the parent entity				
	Place of Incorporation	Registered Address	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Chettinad Cement Corporation Private Limited - Ultimate Holding Company##	India	"Chettinad Towers", NO. 603, Anna Salai, Chennai, Tamil Nadu - 600006, India	0%	0%	0%
Anjani Portland Cement Limited-Holding Company**	India	Unit No.E3,E4, 4th Floor, Quena Square, Taj Deccan Road, Erramanzil,Hyderabad, Telangana - 500082, India	99.08%	0%	0%
Bhavya Constructions Pvt. Limited^^	India	Bhavya's Spoorthi Bhavan, 1st Floor, Film Nagar, Jubilee Hills, Hyderabad, Telangana - 500096, India	NA	74.86%	74.85%

became Ultimate Holding company from June 8, 2021

** became Holding company from June 8, 2021

^^ ceased to be a Holding company from June 7, 2021

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(b) Fellow Subsidiaries of the Holding Company, i.e. Anjani Portland Cement Limited

Name of the Company	Ownership interest held by the parent entity of the Holding Company				
	Place of Incorporation	Registered Address	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Chettinad Power Corporation Private Limited	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006, India	100%	100%	100%
Grand Paper & Boards Private Limited	India	NO.37, Old Mahabalipuram Road, Kazhipattur Village, Padur Post, Kanchipuram, Kancheepuram, Tamil Nadu - 603103, India	100%	100%	100%
Belaire Apartments Private Limited	India	Plot No.18, Block No.1 Rajmahal Vilas, 2nd Stage, Bengaluru, Karnataka - 560094, India	100%	100%	100%
Grand Lanka Exim (Private) Limited	Sri Lanka	No.354 Hamilton Canal Road, Dickovita, Hendala, Wattala, Sri Lanka	98%	98%	98%

(c) Associate Company

The Company does not have any associate Company in the current financial year.

(d) Key management personnel (KMP) of the reporting entity and Parent of the reporting entity

Mr. MAM R Muthiah, Managing Director of the Ultimate Holding Company

Mr N. Venkat Raju, Managing Director of the Reporting Company (appointed w.e.f December 13, 2021) and Managing Director of the Holding Company

Mr M L Kumavat, Non-Executive Director of the Reporting Company (appointed w.e.f June 7, 2021) and CFO of the Holding Company

Mr V. Ananda Prasad, Managing Director of the Reporting Company (resigned w.e.f. June 16, 2021) and Non-Executive Director of the erstwhile Holding Company

Mr P. Shiva Kumar, Whole Time Director of the Reporting Company (resigned w.e.f. June 7, 2021)

(e) Key management personnel compensation

Particulars	As at March 31, 2022 [^]	As at March 31, 2021	As at April 1, 2020
Short-term employee benefits	19.04	120.41	121.64
Post-employment benefits*	-	-	-
Total compensation	19.04	120.41	121.64

[^] KMP compensation reported for FY 2021-22 is upto May 31, 2021 only.

Subsequently, the KMPs appointed in the company did not draw any remuneration in the reporting entity except for director sitting fees of ₹0.30 Lakhs paid during FY 2021-22 (FY 2020-21: Nil) to Mr M L Kumavat, Non-Executive Director of the Reporting Company and CFO of the Holding Company, which is not included in the above table .

* This does not include gratuity based on actuarial valuation as this is done for the company as a whole.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(f) Related Parties

Entities controlled or jointly controlled by a person identified in (d) above :

- Chettinad Morimura Semiconductor Material Private Limited
- Chettinad Inland Water Transport Services Private Limited
- Chennai Computer and Software Services Private Limited
- Chettinad Realtors Private Limited
- Chettinad Lignite Transport Services Private Limited

(g) Transactions with related parties

The following transactions occurred with related parties:

Particulars	As at March 31, 2022				As at March 31, 2021	As at April 1, 2020
	Ultimate Holding Company (w.e.f June 8, 2021)	Holding Company (w.e.f June 8, 2021)	Holding Company (upto June 7, 2021)	Total	Total	Total
Name of the Entity	Chettinad Cement Corporation Private Limited	Anjani Portland Cement Limited	Bhavya Constructions Pvt. Limited		Bhavya Constructions Pvt. Limited	Bhavya Constructions Pvt. Limited
Purchase of goods	1,221.07	4.92	-	1,225.99	-	-
Sale of goods	-	2.10	-	2.10	5.67	39.14
Lease rentals Paid	-	-	18.44	18.44	99.00	35.47
(Investment in NCDs) /Redemption of NCDs	-	-	8,500.00	8,500.00	(8,500.00)	-
Capital Advances (paid)/ returned	-	-	1,200.00	1,200.00	(1,200.00)	-
Lease rental deposit (paid)/ returned	-	-	945.00	945.00	(945.00)	-
Interest Income Accrued on NCDs	-	-	221.70	221.70	319.51	-
Interest Income Accrued on Lease rental deposit	-	-	8.80	8.80	33.40	-
Interest Income received on NCDs	-	-	541.21	541.21	-	-
Interest Income received on Lease rental deposit	-	-	42.20	42.20	-	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(h) Outstanding balances arising from sales/purchases of goods and services

Particulars	As at March 31, 2022 [^]	As at March 31, 2021	As at April 1, 2020
Ultimate Holding Company (w.e.f. June 8, 2021)			
Chettinad Cement Corporation Private Limited			
Receivable against sale of goods	-	-	-
Payable against purchase of goods	0.14	-	-
Holding Company (w.e.f. June 8, 2021)			
Anjani Portland Cement Limited			
Receivable against sale of goods	-	-	-
Payable against purchase of goods	2.81	-	-
Holding Company (upto June 7, 2021)			
Bhavya Constructions Pvt. Limited			
Receivable against sale of goods	-	6.47	-
Advance received against sale of goods	-	-	(166.20)
Payable against purchase of goods / others	-	1.55	9.58

35. Capital management

(a) Risk management

The Company is controlled by the following entity:

For the purpose of capital management, capital includes issued equity capital attributable to the parent Company.

The company's objectives when managing capital are to;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Total debt (total of non current and current borrowings) divided by Total equity (as shown in the balance sheet).

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Total debt	6,179.70	13,690.79	9,632.89
Total equity	16,291.06	18,441.64	14,701.22
Debt to equity ratio	0.38	0.74	0.66

(i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(b) Dividends

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(i) Equity shares			
No dividend has been proposed for the year ended March 31, 2022	-	-	-
No dividend has been proposed for the year ended March 31, 2021	-	-	-
(ii) Dividends not recognised at the end of the reporting period			
Directors have not recommended the payment of dividend per fully paid equity share for the year ended March 31, 2022	-	-	-

36. Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021			As at April 1, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Trade receivables	-	-	3,753.72	-	-	2,497.98	-	-	3,842.59
Cash and cash equivalents	-	-	348.89	-	-	1,422.43	-	-	265.64
Bank Balances other than cash and cash equivalents	-	-	87.24	-	-	112.31	-	-	229.47
Investments	-	-	-	-	-	8,500.00	-	-	-
Other financial assets	-	-	1,548.86	-	-	2,585.00	-	-	1,874.80
Total financial assets	-	-	5,738.71	-	-	15,117.72	-	-	6,212.50
Financial liabilities									
Borrowings	-	-	6,179.70	-	-	13,690.79	-	-	9,632.89
Lease Liability	-	-	201.09	-	-	1,225.78	-	-	6.47
Trade payables	-	-	2,597.31	-	-	3,819.71	-	-	3,536.59
Others	-	-	785.46	-	-	1,364.14	-	-	1,348.21
Total financial liabilities	-	-	9,763.56	-	-	20,100.42	-	-	14,524.16

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment in NCDs	5	-	-	-	-
Security deposits	6	-	-	39.15	39.15
Interest receivable	6	-	-	29.74	29.74
Power & Sales tax incentive receivable	6	-	-	1,479.97	1,479.97
Others	6	-	-	-	-
Trade receivables	9	-	-	3,753.72	3,753.72
Cash and cash equivalents	10	-	-	348.89	348.89
Bank Balances other than cash and cash equivalents	11	-	-	87.24	87.24
Total financial assets		-	-	5,738.71	5,738.71
Financial Liabilities					
Borrowings	15&18	-	-	6,179.70	6,179.70
Lease Liabilities	43	-	-	201.09	201.09
Trade payables	19	-	-	2,597.31	2,597.31
Others	20	-	-	785.46	785.46
Total financial liabilities		-	-	9,763.56	9,763.56

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment in NCDs	5	-	-	8,500.00	8,500.00
Security deposits	6	-	-	483.56	483.56
Interest receivable	6	-	-	69.35	69.35
Power & Sales tax incentive receivable	6	-	-	1,341.60	1,341.60
Others	6	-	-	690.50	690.50
Trade receivables	9	-	-	2,497.98	2,497.98
Cash and cash equivalents	10	-	-	1,422.43	1,422.43
Bank Balances other than cash and cash equivalents	11	-	-	112.31	112.31
Total financial assets		-	-	15,117.72	15,117.72
Financial Liabilities					
Borrowings	15&18	-	-	13,690.79	13,690.79
Lease Liabilities	43	-	-	1,225.78	1,225.78
Trade payables	19	-	-	3,819.71	3,819.71
Others	20	-	-	1,364.14	1,364.14
Total financial liabilities		-	-	20,100.42	20,100.42

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at April 1, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment in NCDs	5	-	-	-	-
Security deposits	6	-	-	110.74	110.74
Interest receivable	6	-	-	45.60	45.60
Power & Sales tax incentive receivable	6	-	-	1,638.93	1,638.93
Others	6	-	-	79.53	79.53
Trade receivables	9	-	-	3,842.59	3,842.59
Cash and cash equivalents	10	-	-	265.64	265.64
Bank Balances other than cash and cash equivalents	11	-	-	229.47	229.47
Total financial assets		-	-	6,212.50	6,212.50
Financial Liabilities					
Borrowings	15&18	-	-	9,632.89	9,632.89
Lease Liabilities	43	-	-	6.47	6.47
Trade payables	19	-	-	3,536.59	3,536.59
Others	20	-	-	1,348.21	1,348.21
Total financial liabilities		-	-	14,524.16	14,524.16

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. The mutual funds are valued using the closing NAV.

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 which maximise the use of observable market data and rely as little as possible on entity-specific estimates. 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, contingent consideration and indemnification asset included in level 3.

There are no transfers between Levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(ii) Valuation processes

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Trade receivables	3,753.72	3,753.72	2,497.98	2,497.98	3,842.59	3,842.59
Cash and cash equivalents	348.89	348.89	1,422.43	1,422.43	265.64	265.64
Bank Balances other than cash and cash equivalents	87.24	87.24	112.31	112.31	229.47	229.47
Investments	-	-	8,500.00	8,500.00	-	-
Other Financial Assets	1,548.86	1,548.86	2,585.00	2,585.00	1,874.80	1,874.80
Total financial assets	5,738.71	5,738.71	15,117.72	15,117.72	6,212.50	6,212.50
Financial Liabilities						
Borrowings	6,179.70	6,179.70	13,690.79	13,690.79	9,632.89	9,632.89
Lease Liability	201.09	201.09	1,225.78	1,225.78	6.47	6.47
Trade payables	2,597.31	2,597.31	3,819.71	3,819.71	3,536.59	3,536.59
Others	785.46	785.46	1,364.14	1,364.14	1,348.21	1,348.21
Total financial liabilities	9,763.56	9,763.56	20,100.42	20,100.42	14,524.16	14,524.16

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

37. Financial risk management

The company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term and Short-term borrowings at variable interest rates.	Sensitivity analysis	Availability of committed credit lines and borrowing facilities

The company's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

(i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Internal Rating	Category	Description of Category	Basis of recognition of expected credit loss provision	
			Loans and security deposits	Trade receivables
VL 1	High-quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong		
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due		
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets being written off	

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Year ended 31 March 2022:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL1	-	0%	-	-

(b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	3,096.95	429.00	283.77	61.39	3,871.12
a) Expected loss rate	0.50%	5.00%	10.00%	50.00%	-
b) Expected credit losses (Loss allowance provision)	15.48	21.45	28.38	30.70	96.01
c) Provision carried in books #	20.74	29.55	20.58	38.73	109.60
Higher of (b) or (c)	20.74	29.55	28.38	38.73	117.40
Carrying amount of trade receivables (net of impairment)	3,076.21	399.45	255.39	22.66	3,753.72

Year ended 31 March 2021:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL1	-	0%	-	-

(b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	2,200.41	127.04	169.20	71.20	2,567.86
Expected loss rate	0.50%	5.00%	10.00%	50.00%	-
Expected credit losses (Loss allowance provision)	11.00	6.35	16.92	35.60	69.87
Provision carried in books #	17.30	1.00	1.33	0.56	20.19
Carrying amount of trade receivables (net of impairment)	2,189.41	120.69	152.28	35.60	2,497.98

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

Year ended 31 March 2020:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL1	63	0%	-	63

(b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	2,887.65	530.58	374.30	256.91	4,049.44
Expected loss rate	0.50%	5.00%	10.00%	50.00%	-
Expected credit losses (Loss allowance provision)	14.44	26.53	37.43	128.47	206.86
Provision carried in books #	179.78	33.03	23.30	16.00	252.11
Carrying amount of trade receivables (net of impairment)	2,707.87	497.54	351.00	240.91	3,842.58

Provision carried in books include provision made on specific identification.

(iii) Reconciliation of loss allowance provision- Loans and deposits

There are no loss allowance provision created for the loans and deposits.

(iv) Reconciliation of loss allowance provision - Trade receivables

Loss allowance on 1st April, 2020	206.86
Changes in loss allowance	(136.99)
Loss allowance on 31st March, 2021	69.87
Changes in loss allowance	47.53
Loss allowance on 31st March, 2022	117.40

(B) 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. The funding sources of the Company include short-term working capital loans from banks.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Floating rate			
- Expiring within one year (bank overdraft)	1,800	600	-
- Expiring beyond one year (bank loans)	-	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
31 March 2022							
Non-derivatives							
Borrowings	375.00	375.00	2,429.70	1,500.00	1,500.00	-	6,179.70
Lease Liability	6.93	7.06	15.91	36.59	134.60	-	201.09
Trade payables	2,571.03	2.33	0.91	0.95	22.09	-	2,597.31
Other financial liabilities	28.28	2.48	754.70	-	-	-	785.46
Total non-derivative liabilities	2,981.24	386.87	3,201.22	1,537.55	1,656.69	-	9,763.37
31 March 2021							
Non-derivatives							
Borrowings	837.99	483.52	2,939.69	2,305.52	6,420.77	703.30	13,690.79
Lease Liability	(8.91)	(9.17)	(19.14)	(36.25)	(129.85)	1,429.10	1,225.78
Trade payables	3,737.17	25.75	3.18	31.53	22.08	-	3,819.71
Other financial liabilities	67.82	607.48	688.85	-	-	-	1,364.14
Total non-derivative liabilities	4,634.07	1,107.58	3,612.58	2,300.79	6,313.00	2,132.41	20,100.42
1 April 2020							
Non-derivatives							
Borrowings	1,067.07	23.47	4,701.97	2,225.93	1,614.46	-	9,632.89
Lease Liability	1.72	1.38	3.37	-	-	-	6.47
Trade payables	3,127.05	132.34	258.88	18.04	0.27	-	3,536.59
Other financial liabilities	154.06	615.62	578.53	-	-	-	1,348.21
Total non-derivative liabilities	4,349.90	772.80	5,542.75	2,243.97	1,614.73	-	14,524.16

(C) Market risk

(i) Foreign currency risk

The Company is not exposed to foreign exchange risk arising from foreign currency transactions during the year. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the Company's functional currency (INR).

a) Foreign currency exposure

The Company's exposure to foreign currency risk at the end of the current and previous reporting period is NIL

(ii) Interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The Company monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavorable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Variable rate borrowings	1,679.70	2,000.00	5,173.95
Fixed rate borrowings	4,500.00	11,690.79	4,458.94
Total	6,179.70	13,690.79	9,632.89

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit after tax		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Interest rates - increase by 70 basis points *	11.76	14.00	36.22
Interest rates - decrease by 70 basis points*	(11.76)	(14.00)	(36.22)

* Holding all other variables constant

38. Segment information

(a) Description of segments and principal activities

The Company primarily operates in the Cement segment. The Chief operating decision maker (CODM) reviews the performance of the Cement segment at the consolidated level and makes decisions on sales volume and profitability

(b) Major Customers in Cement Segment

The company has not made external sales to a single customer equal to 10% or more of the entity's revenue.

However, 28.96% of revenue is coming from top 11 customers in cement segment.

39. Provisions

Employee benefit obligations

Particulars	As at March 31, 2022			As at March 31, 2021			As at April 1, 2020		
	Current	Non Current	Total	Current	Non Current	Total	Current	Non Current	Total
Compensated absences	0.98	70.34	71.32	4.00	141.07	145.06	-	120.06	120.06
Gratuity	3.86	27.96	31.81	4.50	45.19	49.69	3.82	93.40	97.22
Total employee benefit obligations	4.84	98.29	103.13	8.50	186.26	194.76	3.82	213.46	217.28

(i) Compensated absences

The compensated absences obligations cover the Company's liability for the earned leave. The provision is presented as current and non-current based on the actuarial report obtained by the Company. However, based on past experience the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current compensated absences expected to be settled within the next 12 months	0.98	4.00	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(ii) Post-employment obligations - gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India.

(iii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is ₹79.91 Lakhs (March 31, 2021 - ₹71.47 Lakhs).

Gratuity

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2020	212.07	(114.86)	97.22
Current service cost	30.89	-	30.89
Interest expense/(income)	14.42	-	14.42
Total amount recognised in profit or loss	45.32	-	45.32
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(8.07)	(8.07)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Expected (gains)/losses	13.42	-	13.42
Expenses	-	1.72	1.72
Total amount recognised in other comprehensive income	13.42	(6.35)	7.07
Employer contributions	-	(99.91)	(99.91)
Benefit payments	(12.78)	12.78	-
March 31, 2021	258.02	(208.33)	49.69
April 1, 2021	258.02	(208.33)	49.69
Current service cost	28.41	-	28.41
Interest expense/(income)	16.63	(13.25)	3.38
Total amount recognised in profit or loss	45.05	(13.25)	31.79
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.12)	(1.12)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Expected (gains)/losses	(50.69)	-	(50.69)
Expenses	-	2.15	2.15
Total amount recognised in other comprehensive income	(50.69)	1.02	(51.81)
Employer contributions	-	-	-
Benefit payments	(26.85)	26.85	-
March 31, 2022	225.53	(193.71)	29.67

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 2020
Present value of funded obligations	225.53	258.02	212.07
Fair value of plan assets	(193.71)	(208.33)	(114.86)
Deficit of funded plan	31.81	49.69	97.22

* Excess contribution to Gratuity fund has been shown in pre-paid

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Discount rate	7.13%	6.80%	6.80%
Salary growth rate	8.00%	8.00%	8.00%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for an employee retiring at age 58.

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation (Increase/Decrease)								
	Changes in assumption			Increase in assumption			Decrease in assumption		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Discount rate	1%	1%	1%	-9%	-9%	-9%	10%	10%	11%
Salary growth rate	1%	1%	1%	15%	15%	14%	-12%	-12%	-12%
Attrition rate	1%	1%	1%	8%	8%	9%	-9%	-9%	-11%
Mortality rate	1%	1%	1%	0%	0%	0%	0%	0%	0%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(vi) The major categories of plan assets are as follows:

The Company has plan assets by way of investment funds in Life Insurance Corporation of India (LIC) under the group gratuity scheme.

The fair value of the plan assets are as follows:

Particulars	As at March 31, 2022 (Unquoted)	As at March 31, 2021 (Unquoted)	As at April 1, 2020 (Unquoted)
Investment funds (Investments in LIC)	193.71	208.33	114.86
Total	193.71	208.33	114.86

The expected contribution to post employment benefit plan of gratuity during the next year (i.e. year ended 31st March, 2023) is ₹30.69 Lakhs

(vii) Risk exposure

Through its defined benefit plans, The company is exposed to a number of risks, the most significant of which are detailed below:

Investment risks:

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bond rate. If the return on plan asset is lower than this rate, then it will create a plan deficit.

Interest risks:

A decrease in bond rate will increase the plan liability although this will be partially offset by an increase in the value of the plan's bond holdings.

Longevity risks (Life expectancy):

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risks:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

40. Contingent liabilities and contingent assets

(a) Contingent liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Claims against the Company not acknowledged as debts			
Income tax related	32.53	32.45	13.25
Entry Tax (net of pre-deposit tax paid under protest)*	32.02	32.02	32.78
Total	64.54	64.47	46.03

*Note: Entry Tax- No penalty levied

(b) Contingent assets

The Company does not have any contingent assets as at March 31, 2022, March 31, 2021 and April 1, 2020.

41. Commitments

Capital commitments (net of capital advances)

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for			
Property, plant and equipment	-	49.80	-
Total	-	49.80	-

42. Other Disclosure

(a) Dues to Micro and Small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year.	-	13.77	46.79
Principal amount due to micro and small enterprises (incl Capital creditors- March 31, 2022- Nil, March 31, 2021 - ₹ 0.94 Lakhs, April 1, 2020 - ₹26.98 Lakhs)	-	13.77	46.79
Interest due on above.	-	-	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	0.04	-	-
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
v) 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 of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

(b) Corporate Social Responsibility (CSR)

Section 135(5) of the Companies Act, 2013 stipulates that the company needs to spend two per cent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility (CSR) Policy.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
a) Gross amount required to be spent by the Company during the year	46.84	18.84	11.94
b) Amount of expenditure incurred on :			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	47.97	24.09	23.28
c) Shortfall at the year end	-	-	-
d) Total previous shortfall	-	-	-
e) Reason for shortfall	NA	NA	NA
f) Nature of CSR activities under Sec 135 read with Schedule VII of Companies Act, 2013	Promotion of Education(ii), Rural Development (x)	Promotion of Education (ii), Employment enhancing vocation skills (vii), Covid 19 related (viii)	Promotion of Education (ii), Promotion of Sports (vii)
g) Details of related party transactions in relation to CSR expenditure	NA	NA	NA

43. Right of use (ROU)- Building

Disclosures as per Ind AS 116:

The weighted average incremental borrowing rate applied to lease liabilities is 7 %

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening Balance as on 1st April	1,613.85	6.47	6.47
Additions	205.11	1,681.35	-
Deletions	(1,659.05)	-	-
(Amortization) / Reversal of Amortization	35.75	(73.97)	-
Closing Balance as on 31st March	195.66	1,613.85	6.47

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

43. Lease Liability

The following is the break-up of current and non-current lease liabilities as at March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current Lease Liability	28.34	1.11	6.03
Non Current Lease Liability	172.75	1,224.67	0.44
Total	201.09	1,225.78	6.47

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

The following is the movement in lease liabilities during the year ended March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance at the beginning of the year	1,225.78	6.47	6.47
Add: Additions during the year	205.11	1,187.69	-
Add: Finance Costs accrued during the year	29.46	138.30	-
Less: Deletions during the year	1,226.12	-	-
Less: Payment of lease liabilities	33.15	106.68	-
Less: Translation Difference	-	-	-
Balance at the end of the year	201.09	1,225.78	6.47

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Less than one year	43.89	105.67	6.39
One to five years	197.26	608.69	0.50
More than five years	-	3,918.92	-
Total	241.15	4,633.28	6.89

44. Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current			
Financial assets			
Exclusive Charge* / First charge^ / Second Charge #			
Trade receivables	3,753.72	2,497.98	3,842.59
Cash and cash equivalents	-	1,422.43	265.64
Bank Balances other than cash and cash equivalents	-	112.31	229.47
Others	-	87.64	156.34
Non-financial assets			
Exclusive Charge* / First charge^ / Second Charge #			
Inventories	2,108.81	1,524.78	2,234.70
Other current assets	-	846.99	431.62
Total current assets pledged as security	5,862.53	6,492.13	7,160.36
Non-Current			
Exclusive Charge* / First charge^ / Second Charge #			
Property, Plant & Equipment (excluding Vehicles under exclusive charge)	5,850.00	20,334.77	21,653.35
Vehicles under exclusive charge	-	71.79	104.39
Total non-current assets pledged as security	5,850.00	20,406.55	21,757.73
Total assets pledged as security	11,712.53	26,898.68	28,918.09

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

* Exclusive Charge

During the current year, i.e. FY 2021-22, the Working capital term loan availed from HDFC Bank are secured by an exclusive charge on the Plant/Machinery of the company, only to the extent of 1.3 times of the loan amount of ₹4,500 Lakhs, which translates to ₹ 5,850 Lakhs for the Working capital term loan extended. (refer note 15a. for full details).

During the current year, i.e. FY 2021-22, the Working capital facilities availed from HDFC Bank are secured by an exclusive charge on Inventory and Trade receivables of the Company. (refer note 18a. for full details).

During the previous year, i.e. FY 2020-21, the company has availed Vehicle loans of ₹130.67 Lakhs from Axis Bank and the same were secured by exclusive charge/hypothecation of vehicle to the Bank. However, these loans were closed on June 23, 2021. (refer note 15d. for full details).

^ First Charge

During the previous year, i.e. FY 2020-21, the Term Loans availed from NBFCs, i.e. Kotak Mahindra Investments Limited and Axis Finance Limited, were secured by way of pari-passu first mortgage and charge over the immovable and movable properties of the company, both present and future. However, the loans have been pre-closed on June 7, 2021 (refer note 15c. for further details).

During the previous year, i.e. FY 2020-21, the Working capital loans availed from Yes Bank Limited were secured by way of a first charge on the present and future current assets of the Company (refer note 18b. for further details).

During the previous year, i.e. FY 2020-21, the Company has availed guaranteed emergency credit line 2.0 (GECL 2.0) working capital term loan sanctioned by Yes Bank Limited for ₹1,090 Lakhs and the same were secured by way of pari-passu charge on the present and future current assets of the company. (refer note 15b for further details)

As at April 1, 2020, the company has availed working capital facilities from Yes Bank which were secured by a first charge on the present and future current assets of the Company. (refer note 18c. for further details).

As at April 1, 2020, the company has 540 Nos of secured redeemable Non-Convertible Debentures (NCD) of ₹100,000 each at an aggregate value equal to the face value which were subscribed by NBFC i.e., KKR India Financial Services Private Limited and these NCDs were secured by way of pari-passu first mortgage and charge over the immovable and movable properties present and future. (refer note 15e. for further details).

As at April 1, 2020, the Term loans availed from NBFC i.e., KKR India Financial Services Private Limited and these term loans were secured by way of pari-passu first mortgage and charge over the immovable and movable properties present and future (refer note 15e. for further details).

Second Charge

During the previous year, i.e. FY 2020-21, the Term Loans availed from NBFCs, i.e. Kotak Mahindra Investments Limited and Axis Finance Limited, availed on December 23, 2020 were also secured by a second charge by way of hypothecation over all the movable current assets, both present and future. However, the loans have been pre-closed on June 7, 2021. (refer note 15c. for further details)

During the previous year, i.e. FY 2020-21, the Working capital facilities availed from Yes Bank Limited were also secured by a second charge on the fixed assets of the Company present and future. (refer note 18b. for further details).

During the previous year, i.e. FY 2020-21, the Company has availed guaranteed emergency credit line 2.0 (GECL 2.0) working capital term loan sanctioned by Yes Bank Limited for ₹1,090 Lakhs and the same were also secured by way of second pari-passu charge on the entire fixed assets of the company. (refer note 15b for further details)

As at April 1, 2020, the company has availed working capital facilities from Yes Bank Limited which were also secured by a second charge on the present and future fixed assets of the Company. (refer note 18c. for further details).

As at April 1, 2020, the company has availed Term loans from Yes Bank Limited to the tune of ₹1,628.35 Lakhs and the same were also secured by way of second pari-passu charge on entire fixed assets and current assets of the Company, present and future. (refer note 18f. for further details).

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

As at April 1, 2020, the company has 540 Nos of secured redeemable Non-Convertible Debentures (NCD) of ₹100,000 each at an aggregate value equal to the face value which were subscribed by NBFC i.e., KKR India Financial Services Private Limited and these NCDs were also secured by second charge by way of hypothecation over all the movable current assets, both present and future. (refer note 15e. for further details).

As at April 1, 2020, the Term loans availed from NBFC i.e., KKR India Financial Services Private Limited and these term loans were also secured by way of second charge by way of hypothecation over all the movable current assets, both present and future. (refer note 15e. for further details).

Note 45: Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS (Refer Note 1 on the basis for preparation). The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2022, the comparative information presented in these financial statements for the year ended 31 March 2021 and in preparation of an opening Ind AS balance sheet at 1 April 2020 (The Company's date of transition).

In preparing its first Ind AS financial statements in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has applied the relevant mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS. Material optional exemptions applied by the Company are as follows:

45.A.1 Ind AS optional exceptions

A.1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to continue the carrying value of all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40.

The Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

45.A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April, 2020 are consistent with the estimates as the same date made in conformity with previous GAAP. The Company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

a) Impairment of financial asset based on Expected Credit Loss model.

45.B: Notes to first time adoption:

Note 44.B.1: Trade receivables

As per Ind AS 109, the Company is required to apply Expected Credit Loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by ₹ 4.42 lakhs as at 31 March 2021 (1 April 2020 - decreased by ₹45.25 lakhs).

Consequently, the total equity as at 31 March 2021 decreased by ₹4.42 lakhs (1 April 2020 - increased by ₹45.25 lakhs) and profit for the year ended 31 March 2021 decreased by ₹4.42 lakhs (1 April 2020 - increased by ₹45.25 lakhs).

Note 45.B.2: Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS all financial assets are required to be recognized at fair value. Accordingly the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

deposits has been recognized as Prepaid Lease.

Consequent to this change, the amount of security deposit decreased by ₹493.66 Lakhs as at 31 March, 2021 (1 April, 2020 - Nil). The Prepaid Rent increased by ₹493.66 lakhs as at 31 March, 2021 (1 April, 2020 - Nil). However there was no change in equity as at 1 April, 2020. The profit for the year ended 31 March, 2021 and total equity as at 31 March, 2021 decreased by ₹6.20 lakhs due to amortization of Prepaid Rent of ₹19.74 Lakhs which is partially off set by the notional interest income of ₹13.54 Lakhs recognized on security deposits

Note 45.B.3: Remeasurement of post employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in 'Other Comprehensive Income' instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

As a result of this change, the profit for the year ended 31 March, 2021 increased by ₹14.88 Lakhs (April 1, 2020 - Nil). There is no impact on the total equity as at 31 March, 2021 (April 1, 2020 - Nil).

Note 45.B.4: Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in the statement of profit or loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method. Under the previous GAAP, these transaction costs were charged to profit and loss as and when incurred.

Accordingly, Borrowings as at 31 March, 2021 have been reduced by ₹480.23 Lakhs (1 April, 2020 - ₹48.46 Lakhs) with a corresponding adjustment to the retained earnings. The total equity increased by an equivalent amount of ₹480.23 Lakhs as at 31 March, 2021 (1 April, 2020 - ₹48.46 Lakhs). The profit for the year ended 31 March, 2021 increased by ₹480.23 Lakhs (1 April, 2020 - ₹48.46 Lakhs) as a result of lower interest expense.

Note 45.B.5: Decommissioning cost

Under the previous GAAP, recognition of decommissioning cost liability was not mandatory and also discounting of provision was not allowed. Under Ind AS, the decommissioning liability in respect of the mines have been recognized at discounting amounts since the effect of time value of money is material. Accordingly the non-current provisions have been discounted to their present values.

This change has reduced the non-current provisions as at 1 April, 2020 by ₹140.62 Lakhs and has increased the equity as at 1 April, 2020 by an equivalent amount of ₹140.62 Lakhs. Consequently, the profit for the year ended 31 March, 2021 decreased by ₹9.86 Lakhs (1 April, 2020 - Nil) due to unwinding of interest on decommissioning liability initially recognized.

Note 45.B.6 Leases

The Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2020 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 6.46 lakhs, and a lease liability of ₹ 6.46 lakhs.

The following is the summary of practical expedients elected on initial application :

- i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- ii) Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

45C. Reconciliation of Total Equity, Total Comprehensive Income and Impact of IND-AS adoption on cash flows

C.1 Reconciliation of total equity as at March 31, 2021 and April 1, 2020

Particulars	As at March 31, 2021	As at April 1, 2020
Total equity (shareholders' funds) as per previous GAAP	18,174.33	14,774.34
Adjustments:		
Add/(Less): Remeasurment of trade receivables	(49.69)	45.26
Add/(Less): Borrowings- transaction cost adjustments	528.70	48.47
Add/(Less): ROU Asset	1,613.85	6.47
Add/(Less): Lease liability	(1,225.78)	(6.47)
Add/(Less): Deferral of government grant (power and sales tax incentives)	(761.65)	(419.91)
Add/(Less): Deferred tax on actuarial gains/losses	(84.90)	24.59
Add/(Less): Decommissioning PPE	87.48	87.84
Add/(Less): Decommissioning liability	159.30	140.63
Total adjustments	267.31	(73.12)
Total equity as per Ind AS	18,441.64	14,701.22

C.2 Reconciliation of total comprehensive income as at March 31, 2021

Particulars	As at March 31, 2021
Profit after tax as per previous GAAP	3,399.99
Adjustments:	
Add/(Less): Impact of deferred tax	(113.24)
Add/(Less): Remeasurment of trade receivables	(94.94)
Add/(Less): Remeasurment of rental expense	106.68
Add/(Less): Remeasurment of decommissioning expense (site restoration expense)	28.54
Add/(Less): Security Deposits - Interest Income	13.54
Add/(Less): Deferral of government grant (power and sales tax incentives)	138.37
Add/(Less): Depreciation of ROU Asset	(74.33)
Add/(Less): Borrowings- transaction cost adjustments	332.07
Add/(Less): Impact on employee benefit expenses	14.88
Total adjustments	351.55
Profit after tax as per IND AS	3,751.54
Add/(Less): Actuarial gain/loss recognized in OCI	(11.13)
Total comprehensive income as per IND AS	3,740.41

C.3 Impact of Ind AS Adoption on cash flow statements for the year ended March 31, 2021

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	8,452.70	583.43	9,036.13
Net cash used in investing activities	(10,720.67)	116.47	(10,604.20)
Net cash flow from financing activities	3,424.76	(699.90)	2,724.86
Net increase/(decrease) in cash flows	1,156.79	-	1,156.79
Cash and cash equivalents as on April 1, 2020	265.64	-	265.64
Cash and cash equivalents as on March 31, 2021	1,422.43	-	1,422.43

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

45D. Balance Sheet as at March 31, 2021 and April 1, 2020

Particulars	As at March 31, 2021			As at April 1, 2020		
	Previous GAAP	Adjustments	IND-AS	Previous GAAP	Adjustments	IND-AS
Assets						
Non-current assets						
Property, plant and equipment	20,319.07	87.48	20,406.55	21,669.89	87.84	21,757.73
Right of Use Assets	-	1,613.85	1,613.85	-	6.47	6.47
Capital work-in-progress	-	-	-	261.74	-	261.74
Investment Property	110.22	-	110.22	-	-	-
Other intangible assets	-	-	-	0.57	-	0.57
Financial assets						
i. Investments	8,500.00	-	8,500.00	-	-	-
ii. Other financial assets	4,057.98	(1,560.62)	2,497.36	2,138.37	(419.91)	1,718.46
Other non-current assets	1,262.98	790.56	2,053.54	1,026.98	-	1,026.98
Total non-current assets	34,250.25	931.28	35,181.52	25,097.54	(325.59)	24,771.95
Current assets						
Inventories	1,524.78	-	1,524.78	2,234.70	-	2,234.70
Financial assets	-			-		
i. Trade receivables	2,547.67	(49.69)	2,497.98	3,797.33	45.26	3,842.59
ii. Cash and cash equivalents	1,422.43	-	1,422.43	265.64	-	265.64
iii. Bank Balances other than (ii) above	112.31	-	112.31	229.47	-	229.47
iv. Other financial assets	119.08	(31.44)	87.64	156.34	-	156.34
Other current assets	807.14	39.85	846.99	431.62	-	431.62
Total current assets	6,533.41	(41.28)	6,492.13	7,115.09	45.27	7,160.36
Total assets	40,783.66	890.00	41,673.65	32,212.63	(280.32)	31,932.31
Equity and Liabilities						
Equity						
Equity share capital	13,992.19	-	13,992.19	11,192.77	-	11,192.77
Other equity	4,182.14	267.31	4,449.45	3,581.57	(73.12)	3,508.45
Total equity	18,174.33	267.31	18,441.64	14,774.34	(73.12)	14,701.22
Liabilities						
Non-current liabilities						
Financial liabilities						
i. Borrowings	10,771.29	(387.07)	10,384.22	3,885.65	(11.54)	3,874.11
ii. Lease liabilities	-	1,224.67	1,224.67	-	0.44	0.44
Provisions						
Decommissioning Liabilities	254.92	(159.30)	95.62	226.39	(140.63)	85.76
Employee Provisions	49.69	136.57	186.26	97.22	116.24	213.46
Deferred tax liabilities (net)	884.91	84.90	969.81	503.67	(24.59)	479.08
Total non-current liabilities	11,960.81	899.77	12,860.58	4,712.92	(60.07)	4,652.85
Current liabilities						
Financial liabilities						
i. Borrowings	3,448.20	(141.63)	3,306.57	5,795.70	(36.92)	5,758.78
ii. Lease liabilities	-	1.11	1.11	-	6.03	6.03
iii. Trade payables						
a) Total outstanding dues of micro and small enterprises	100.13	-	100.13	64.07	-	64.07
b) Total outstanding dues of creditors other than micro and small enterprises	3,719.58	-	3,719.58	3,472.52	-	3,472.52
iv. Other financial liabilities	1,364.14	-	1,364.14	1,348.21	-	1,348.21
Other current liabilities	1,802.18	-	1,802.18	1,807.95	-	1,807.95
Provisions	145.06	(136.56)	8.50	120.05	(116.24)	3.82
Current tax liabilities (net)	69.22	-	69.22	116.87	-	116.87
Total current liabilities	10,648.52	(277.08)	10,371.43	12,725.37	(147.13)	12,578.24
Total liabilities	22,609.33	622.69	23,232.01	17,438.29	(207.20)	17,231.09
Total equity and liabilities	40,783.66	890.00	41,673.65	32,212.63	(280.32)	31,932.31

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

45E. Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Previous GAAP	Adjustments	Ind AS
Income			
Revenue from operations	39,344.03	-	39,344.03
Other income	434.52	151.92	586.44
Total Income (i)	39,778.55	151.92	39,930.47
Expenses			
Cost of raw materials consumed	4,053.42	-	4,053.42
Purchase of stock-in-trade	-	-	-
Change in inventories of work-in-progress and finished goods	630.54	-	630.54
Employee benefits expense	1,303.48	(14.88)	1,288.60
Finance costs	1,748.94	(347.47)	1,401.47
Depreciation and amortisation expense	2,316.99	74.33	2,391.32
Power and fuel	13,503.87	-	13,503.87
Freight and forwarding expense	6,604.13	-	6,604.13
Other expenses	5,027.54	(24.87)	5,002.67
Total expenses (ii)	35,188.90	(312.88)	34,876.02
Profit before tax (i)-(ii)	4,589.65	464.80	5,054.45
Tax expense			
Current tax	794.49	-	794.49
Deferred tax	381.24	113.24	494.48
Earlier years' tax	13.93	-	13.93
Total tax expense	1,189.66	113.24	1,302.91
Profit for the year	3,399.99	351.56	3,751.54
Other comprehensive income / (loss) for the year			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans	-	(14.88)	(14.88)
(b) Income tax relating to items (a) above	-	3.75	3.75
Other comprehensive income/(loss) for the year, net of tax	-	(11.13)	(11.13)
Total comprehensive income for the year	3,399.99	340.42	3,740.41

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

46. Analytical Ratios

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	% Variance - 31st March, 2022 Vs 31st March, 2021	Reasons for Variance
Current ratio (in times)	Total current assets	Total current liabilities	1.00	0.63	0.57	37%	Cash generation from operations has been re-invested in building up the current assets. This has helped in improvement of current ratio
Debt-equity ratio (in times)	Borrowings	Total equity	0.38	0.74	0.66	-96%	Improvement in debt-equity ratio is due to reduction of overall debt of the company
Debt service coverage ratio (in times)	Earning for debt service=Net profit after taxes+Non-cash operating expenses+Interest+ Other non cash adjustments	Debt services = Interest and lease payments + Principal repayments	2.21	2.61	1.08	-18%	Decrease in Debt service coverage ratio is due to reduction in profitability of the company due to higher power & fuel costs
Return on equity (in %)	Net profit after tax less preference dividend (if any)	Average total equity	0.16	0.23	0.09	-43%	Fall in ROE is due to lower profitability due to increase in power & fuel costs
Inventory turnover ratio (in times)	Cost of goods sold/ sales	Average inventory	22.37	20.93	15.13	6%	No material change
Trade receivables turnover ratio (in times)	Net credit sales	Average trade receivables	13.00	12.41	8.70	5%	No material change
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	10.49	7.93	7.94	24%	Payment method for Coal procurement has been changed from LC basis to Cash against delivery from June 2021 onwards to get price benefit on Coal. The same has translated to faster payment of trade payables and reduction in trade payables at the end of the year.
Net capital turnover ratio	Net sales	Working capital (Current assets-current liabilities)	(1,418.86)	(10.14)	(5.61)	99%	
Net profit ratio (in %)	Net profit after tax	Net sales	7%	10%	4%	-41%	Fall in Net Profit ratio due to increase in power & fuel costs
Return on capital employed (in %) interest and taxes	Earnings before Networth+Total +Deferred tax liability	Capital employed= debt	20%	20%	11%	4%	ROCE is stagnant due to reduction in profitability as well as reduction in net worth of the company due to share buyback as well as reduction in the debt of the company
Return on Investment (in %)	Income generated from invested funds	Average invested funds	14%	14%	NA	0%	The company has subscribed to NCDs, carrying a coupon rate of 14% p.a. during FY 2020-21 and the same were redeemed during FY 2021-22. (refer note 5a. and note 5b.)

Notes to the financial statements for the year ended March 31, 2022

(All amounts are in ₹ Lakhs except for share data or otherwise stated)

47. Events occurring after the reporting period

No events were noted after the reporting period which require an adjustment or disclosure as provided under Ind AS 10.

48. Impact of COVID 19 pandemic

The nation has experienced Covid second wave during the months of April 2021-May 2021 and as a measure to curb the pandemic, lockdowns were imposed by the various State Governments during the month of May 2021. Subsequently, the nation has also experienced Covid third wave during the months of December 2021-January 2022.

The company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements, including but not limited to its assessment of, liquidity, going concern assumption and recoverability of carrying amounts of financial and non-financial assets.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company has, at the date of approval of these financial statements, used internal & external sources of information including credit reports, related information and economic forecasts. Based on these parameters, the company expects that the carrying amount of these assets will be recovered.

The impact of Covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of Covid-19. However, the management will continue to closely monitor any material changes to future economic conditions, which are subject to uncertainties that Covid-19 outbreak might pose in the future.

49. Note on "Code on Social Security, 2020"

The Indian Parliament has approved the 'Code on Social Security, 2020' ('the Code') which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

50. Previous period figures have been regrouped/rearranged wherever necessary to conform with the current period classification.

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

For **RAMANATHAM & RAO**
Chartered Accountants
ICAI firm registration number: S-2934

C. Kameshwar Rao
Partner
Membership No.: 024363

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board
Bhavya Cements Private Limited

N. Venkat Raju
Managing Director
DIN: 08672963

V Valliammai
Director
DIN: 01197421

ML Kumavat
Director
DIN: 05163893

S. Sandeep
Director
DIN: 09207372

P Ramkumar
Director
DIN: 09207219

M Satyanarayana Murthy
Director
DIN: 01612799

M.S.K Chaitanya
Chief Financial Officer

Place: Chennai
Date: May 11, 2022

BHAVYA CEMENTS PRIVATE LIMITED

CIN: U26941AP2007PTC053611

Regd Office: Tangeda village, Dacheppally Mandal, Guntur District, Andhra Pradesh- 522 414
Phone: 08649-273900, Fax: 08649-273819, Email- info@bhavyacements.in

ATTENDANCE SLIP

(to be presented at the entrance)

Annual General Meeting of the Company on Wednesday, September 28, 2022 at 10:30 A.M

Reg. Folio No.: _____ DP ID No.: _____ Client ID No.: _____ No. of shares held: _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company and hereby record my presence at the Annual General Meeting of the Company on Wednesday, 28th September, 2022 at 10:30 A.M at the registered office of the Company situated at Tangeda village, Dacheppally Mandal, Guntur District, Andhra Pradesh- 522 414.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note:

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Notice for reference at the Meeting.
3. Please fill in this attendance slip and hand it over at the entrance of the meeting hall.



FORM NO. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN	U26941AP2007PTC053611
Name of the company	Bhavya Cements Private Limited (formerly known as Bhavya Cements Limited)
Registered Office	Tangeda (V), Dachepalli (M), Guntur (District), Andhra Pradesh 522 414

Name of the Member(s)	
Registered Office	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	
Address:	
E-mail Id:	
Signature , or failing him	

Name :	
Address:	
E-mail Id:	
Signature , or failing him	

Name :	
Address:	
E-mail Id:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Wednesday, September 28, 2022 at 10:30 A.M at the registered office of the Company situated at Tangeda Village, Dachepally Mandal, Guntur District, Andhra Pradesh- 522 414 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	Vote		
		For	Against	Abstain
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and the Auditors' thereon.			
2.	To ratify remuneration to Statutory Auditor.			
3.	To ratify remuneration to Cost Auditor.			
4.	To regularize the appointment of Mrs. Valliammai Valliappan as an Independent Director of the Company.			
5.	Regularization of Mr. Maganthi Satyanarayana Murthy as an Independent Director of the Company.			
6.	Regularization of additional director Mr. N. Venkat Raju (DIN: 08672963) as Director of the Company.			
7.	Appointment of Mr. N. Venkat Raju (DIN: 08672963) as Managing Director of the Company.			
8.	Regularization of additional director Mr. Palani Ramkumar (DIN: 09207219) as Non-Executive Director of the Company.			
9.	Regularization of additional director Mr. Subramanya Rao Sandeep (DIN: 09207372) as Non- Executive Director of the Company.			

Signed this ____ day of ____ 20__

Signature of shareholder(s)

Affix
Revenue
Stamp

(Signature of shareholder and proxy across revenue stamp)

Note:

1. In order to be effective, this form of proxy should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The proxy need not be member of the Company.



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