

BHAVYA CEMENTS PRIVATE LIMITED

16th ANNUAL REPORT 2022-23

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Corporate Overview

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CORPORATE INFORMATION

➤ **CIN :**U26941AP2007PTC053611

➤ **Board of Directors**

S. No	Name	Designation
1.	Mr. N. Venkat Raju	Managing Director
2.	Mr. Maganthi Satyanarayana Murthy	Non-Executive- Independent Director
3.	Mrs. V. Valliammai	Non-Executive- Independent Director
4.	Mr. Subramanya Rao Sandeep	Non-Executive- Non Independent Director
5.	Mr. Palani Ramkumar	Non-Executive- Non Independent Director

➤ **Key Managerial Personnel**

S. No	Name	Designation
1.	Mr. M. Sri Krishna Chaitanya***	Chief Financial Officer
2.	Mr. Karhik Kanniyappan**	Chief Financial Officer
3.	Mrs. Jyoti Agarwal Singhal*	Company Secretary

***Resigned as Chief Financial Officer as on 23.05.2023

**appointed as Chief Financial Officer w.e.f. 01.06.2023

*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

➤ **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

➤ **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. Narshimha Murthy & Co.
3.6-365, 104 & 105,
Pavani Estate, Y.V. Rao Mansion,
Himayatnagar, Hyderabad- 500029
Email: knm.nmc@gmail.com

➤ **Bankers**

HDFC Bank Limited
R. K. Salai Branch
Chennai

➤ **Registrar & Transfer Agent**

KFin Technologies Limited,
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana

➤ **Registered Office and Works**

Thangeda Village, Dachepally Mandal
Guntur District,
Andhra Pradesh - 522 414
Phone: +91- 94910 44146
Email: hrworks@bhavyacements.in

➤ **Corporate Office**

E3 & E4, 4th Floor,
Quena Square, Taj Deccan Road,
Erramanzil, Hyderabad, Telangana- 500082
Phone: 040-23553864/65
Email: info@bhavyacements.in



BHAVYA CEMENTS PRIVATE LIMITED

(A Subsidiary of Anjeel Portland Cement Limited)

(An ISO 9001 : 2015 Certified Company)

CIN : U28914AP2007PTC053619, GSTIN : JTAADCB1182A1Z9

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 16th (Sixteenth) Annual General Meeting of Bhavya Cements Private Limited will be held on Friday, 27th September, 2023 at 10:30 a.m. at the Registered Office of the Company at Thangate Village, District/Prady Manjal, 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, 2023 and the Reports of the Board of Directors and the Auditors' Reports.
2. To appoint a Director in place of Mr. N. Venkat Raja (DIN: 08672961) who retires by rotation in terms of Section 152(b) of the Companies Act, 2013 and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

1. 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 (f) 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 (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to the recommendation and approval of the Audit Committee and the Board of Directors of the Company, the Company hereby ratifies the remuneration of Rs.2,00,000/- (Rupees Two Lakhs Only) plus applicable taxes and reimbursement of out-of-pocket expenses actually incurred and payable to M/s. Nandivada Murthy & Co., Cost Accountants (Firm Registration Number 80942) 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, 2024.

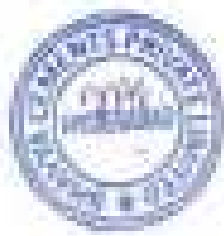


Registered Office & Works :
Thangate Village,
District/Prady Manjal,
Guntur District - 522 414,
Andhra Pradesh, India
Phone : +91 (086) 047440
E-mail : info@bhavyacementsin

Corporate Office : 4th Floor,
Unit No. F3 & F4, 4th-12th Cross,
Ganga Square, Off Taj Deccan Road,
Ernst & Young Hyderabad - 500 082,
Telangana State, India
Phone : 040-333330440
Email : info@bhavyacementsin

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 so may be considered necessary, expedient and desirable to give effect to this resolution."

By the order of the Board
For Bharya Cement Private Limited



Jyoti

Jyoti Agrewal Singhal
Company Secretary
Membership No. A54780

Place: Chennai
Date: May 14, 2022

NOTES

1. The relative explanatory statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No.3 of the accompanying Notices 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 himself 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 Resolutions/Power of Attorney authorizing them to attend and vote at the Meeting.
11. September 22, 2023 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 3, 2020, 01/2021 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 2022-23 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 2022-23 will also be available on the Company's website at www.Honeycomb.com.

11. 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 22, 2023.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 178 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.



EXPLANATORY STATEMENT PURSUANT TO SECTION 143 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors of the Company on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s Namendra Murthy & Co., Cost Accountants (Firm Registration Number 00042) at its meeting held on May 16, 2023, to conduct the 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 ending 2023-24.

In terms of the provisions of Section 143(7) 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 has to be ratified by the Members of the Company.

Accordingly, the Board recommends the resolution set out at Item No. 3 of this Notice for approval of the Members of the Company by way of an Ordinary Resolution.

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

By the order of the Board
For Bhavya Cements Private Limited



[Handwritten Signature]

Prateek Agarwal Singhal
Company Secretary

Place: Chennai

Date: May 16, 2023

**MAP SHOWING LOCATION OF THE VENUE OF
15TH ANNUAL GENERAL MEETING OF HILAYYA CEMENTS PRIVATE LIMITED**

Venue: M/s. Hilayya Cements Private Limited
Thangoda Village, Dakshinapaly Mandal,
Gannur District,
Andhra Pradesh - 522 414



Form No. MGT-11

Proxy form

(Parent to section 10(6) of the Companies Act, 2013 and rule 19(2) of the Companies
(Management and Administrative) Rules, 2014)

CIN	U2801AP29079LCO0011
Name of the company	IRANIYA CEMENTS PRIVATE LIMITED
Registered Office	Thangade (V), Dacheputli (ML),Gaurat (District), Andhra Pradesh 522 414

Name of the Member(s)	
Registered Office	
E-mail id	
Folio No./Client ID	
IP ID	

I/We, being the member(s) of _____ share(s) of the above named company, hereby appoint

Name :	
Address :	
E-mail id :	
Signature, or falling here	

Name :	
Address :	
E-mail id :	
Signature, or falling here	
Name :	
Address :	
E-mail id :	
Signature, or falling here	

we request our proxy to attend and vote (on a poll) for or against and on my/our behalf at the Annual General Meeting of the company, to be held on Friday, September 29, 2023 at 10:30 a.m. at the registered

office of the Company situated at Thargadevi Village, Dahanu Road, Gauri 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, 2023 and the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Mr. N. Venkat Raga (DIN: 0867293) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment.			
3.	To send recommendation to Cost Auditor for the FY 2023-24			

Signed this Wednesday, 27th September, 2023

Signature of shareholder(s)

(Signature of shareholder and proxy across reverse stamp)

Name

Attn:
Revenue
Stamp

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.

HEAVY CEMENTS PRIVATE LIMITED

CIN: U28911AP2007PTC000811

Regd. Office: Thangala village, Daddapaly Mandal, Guntur District, Andhra Pradesh- 522 414

Phone: 9893-44146, Email- company secretary@heavyceements.in**ATTENDANCE SLIP**

(To be presented at the meeting)

Annual General Meeting of the Company on Friday, 29th September, 2023, 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 Friday, 29th September, 2023 at 10:30 a.m. at the registered office of the Company situated at Thangala village, Daddapaly 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.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 16th Annual Report of your Company together with the Audited Financial Statements for the financial year ended March 31, 2023.

1. FINANCIAL SUMMARY:

The financial performance of the Company for the financial year ended March 31, 2023 is summarized below:

(₹In Lakhs)

Particulars	For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
Revenue from Operations		24,169.44		40,662.27
Other Income		226.05		467.27
Total Income		24,395.49		41,129.54
Total Expenses		26,974.69		37,529.88
Earnings before interest, tax, depreciation and amortization		(136.60)		6,745.19
Less: Depreciation & Amortization	1,835.75		1,986.98	
Finance Costs	606.85	2,442.60	1,158.55	3,145.53
Profit/ (Loss) before Tax		(2,579.20)		3,599.66
Less: Tax expenses		15.30		858.87
Profit/ (Loss) after Tax		(2,594.50)		2,740.79
Other Comprehensive Income				
(a) Remeasurement of defined benefit plans	35.80		49.67	
(b) Income tax relating to items (a) above	(9.01)		(12.50)	
Other comprehensive income/(loss) for the year, net of tax		26.79		37.17
Total comprehensive income for the year		(2,567.71)		2,777.96

2. THE STATE OF THE COMPANY'S AFFAIRS:

The revenue from operations of the Company for the Financial Year 2022-23 stood at ₹24,169.44 lakhs against ₹40,662.27 lakhs, representing a decline of 40.56% as compared to the previous year. One of the reasons is considerable reduction in sales in the neighboring States like Tamil Nadu & Maharashtra over the previous years due to poor market demand and also lower price realization. Further the reduction in revenue from operations in the said financial year is also primarily attributable to the company's decision to stop selling cement in distant locations which yields a negative margin. This resulted in lower Sales volume coupled with the lower realization due to which there was a revenue drop of 40.56%. The reduction in price realization and steep increase in the raw material cost during the year under review, has resulted in the Company incurring a net loss of ₹2,567.71 lakhs as compared to a net profit of ₹2,777.96 lakhs in the previous year.

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	
	2022-23	2021-22	2022-23	2021-22
Production	4,83,676	8,18,320	5,57,900	9,68,659
Sales	14,391	-	5,50,634	9,69,204

As evident from the above table, during the year under review, the clinker and cement production decreased by 40.9% and 42.4%, respectively over the previous year and the sales volume of cement decreased by 43.18 % due to lower demand of cement.

4. DIVIDEND:

Your Directors have not recommended any dividend for the financial year 2022-23.

5. TRANSFER TO RESERVES:

During the year under review, no amount was transferred to any Reserve by the Company.

6. SHARE CAPITAL:

As on March 31, 2023, the authorized share capital of the Company is ₹1,40,00,00,000/- divided into 14,00,00,000/- Equity Shares of ₹10/- each. Further, the paid-up share capital of the Company was ₹1,32,31,58,750/- divided into 13,23,15,875 Equity shares of ₹10/- each.

During the year under review, the Company has not issued any shares, granted stock options, or issued sweat equity.

7. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business during the financial year 2022-23.

8. SHIFTING OF CORPORATE OFFICE OF THE COMPANY:

During the year under review, the Board of Directors of the Company approved the relocation of its corporate office at its meeting held on February 06, 2023 from # 6-3-553, Unit No.: C2, 2nd Floor, Quena Square, Off: Taj Deccan Road, Erramanzil, Hyderabad – 500 082, Telangana to # 6-3-553, Unit No.: E3 & E4, 4th Floor, Quena Square, Off: Taj Deccan Road, Erramanzil, Hyderabad – 500 082, Telangana.

9. DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTED/ RESIGNED DURING THE YEAR:

The Company has five (5) directors on its Board, which is duly constituted. During the year under

review, there were no appointments of Director(s). However, Mr. M.L. Kumavat, Non-Executive Director of the Company resigned with effect from May 11, 2022.

Pursuant to the provisions of Section 152 of the Act, Mr. N Venkat Raju (DIN: 08672963) Managing Director of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Resolution seeking his re-appointment forms part of the Notice convening the Annual General Meeting.

Further, Mrs. Jyoti Agarwal Singhal (Membership No: A56780) has been appointed as Company Secretary of the Company with effect from July 07, 2022.

In terms of the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. N. Venkat Raju, Managing Director, Mr. Krishna Chaitanya, Chief Financial Officer and Mrs. Jyoti Agarwal Singhal, Company Secretary are the Key Managerial Personnel of your Company as on March 31, 2023.

Subsequent to the year under review, Mr. Karthik Kanniyappan has been appointed as Chief Financial Officer with effect from June 01, 2023, following the resignation of Mr. Krishna Chaitanya from his position of Chief Financial Officer on May 23, 2023.

10. HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

Your Company does not have any Subsidiary, Joint Venture or Associate Company as on March 31, 2023.

M/s Anjani Portland Cement Limited (CIN: L26942MH1983PLC265166) continues to be the holding company of the company holding **99.09%** of its equity share capital.

11. PUBLIC DEPOSITS:

During the year under review, the Company has neither accepted nor renewed any Deposits within the meaning of Sections 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, there are no un-matured / unpaid fixed deposits at the end of the Financial Year 2022-23.

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

The Company has in place Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. Further, an Internal Complaints Committee has also been set up to redress any such complaints received.

13. 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:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year 2022-23 of the Company to which the Financial Statements relate and the date of this report.

14. 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.

During the year under review, a separate meeting of the Independent Directors was held on February 06, 2023, which was attended by both the independent Directors. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson after considering the views of the Executive and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

15. 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 five (5) times on on May 11, 2022, July 07, 2022, August 02, 2022, November 02, 2022 and February 06, 2023.

Statement of directors' attendance in the board meetings 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.	Mrs. V. Valliammai	Independent Director	5	5
2.	Mr. Palani Ramkumar	Non- Executive Director	5	5
3.	Mr. Subramanya Rao	Non- Executive	5	5

	Sandeep	Director		
4.	Mr. N. Venkat Raju	Managing Director	5	4
5.	Mr. Maganthi Satyanarayana Murthy	Independent Director	5	5
6.	Mr. M.L. Kumavat*	Non- Executive Director	1	1

* Mr. M.L. Kumavat, Non-Executive Director of the Company resigned w.e.f. May 11, 2022.

16. COMMITTEES OF THE BOARD:

The Company has the following three (3) Board-level Committees, which have been established in compliance with the relevant provisions of the Companies Act, 2013, as detailed below.

A. AUDIT COMMITTEE:

Constitution:

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 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.

Meetings & Attendances:

- During the financial year 2022-23, the Audit Committee met seven (7) times on April 29, 2022, May 11, 2022, August 02, 2022, September 08, 2022, November 02, 2022, December 27, 2022 and February 06, 2023.
- 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.
- Mrs. Jyoti Agarwal Singhal, Company Secretary acts as the Secretary of this Committee.

The composition of the Committee:

Sr. No	Name	Designation	Category	No of Meetings Attended
1.	Mrs. V. Valliammai	Chairman	Independent director	7
2.	Mr. Maganthi Satyanarayana Murthy	Member	Independent director	7
3.	Mr. Subramanya Rao Sandeep	Member	Non-Executive Director	7

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.

B. NOMINATION AND REMUNERATION COMMITTEE:

Constitution:

The Nomination and Remuneration Committee of the Company was reconstituted on August 02, 2022 as per Section 178 of the Companies Act, 2013 read with rules made thereunder. It has 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.

Meetings & Attendances:

- During the financial year 2022-23, the Nomination and Remuneration Committee met two (2) times on July 07, 2022 and February 06, 2023.
- Mrs. Jyoti Agarwal Singhal, Company Secretary acts as the Secretary of this Committee.

The composition of the Committee:

Sr. No	Name	Designation	Category	No of Meetings Attended
1.	Mr. Maganthi Satyanarayana Murthy	Chairman	Independent Director	2
2.	Mrs. V. Valliammai	Member	Independent Director	2
3.	Mr. Subramanya Rao Sandeep*	Member	Non- Executive Director	1

* Mr. Subramanya Rao Sandeep was appointed as a member of the Nomination and Remuneration Committee w.e.f. August 02, 2022 by the board.

 **Terms of Reference of the Nomination and Remuneration Committee:**

- To formulate 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.bhavyacements.com/investor-relations/>

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

 **Constitution:**


The Corporate Social Responsibility (CSR) Committee was reconstituted on August 02, 2022 as per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The quorum for the committee is two members personally present.

 **Meetings & Attendances:**

- During the financial year 2022-23, the CSR committee met two (2) times on November 02, 2022 and February 06, 2023.
- Mrs. Jyoti Agarwal Singhal, Company Secretary acts as the Secretary of this Committee.

 **The composition of the Committee:**

Sr. No	Name	Designation	Category	No of Meetings Attended
1.	Mr. Subramanya Rao Sandep	Chairman	Non-Executive Director	2
2.	Mrs. V. Valliammai	Member	Independent Director	2
3.	Mr. Ramkumar Palani	Member	Non-Executive Director	2

 **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 Corporate Social Responsibility 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.bhavyacements.com/investor-relations/>

17. 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 is overseen through the Audit Committee. The policy provides a platform for the directors and employees to report genuine concerns or grievances. 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.bhavyacements.com/investor-relations/>

18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2023, 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, 2023 on a 'going concern' basis
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

19. 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 Nomination and Remuneration Policy of the Company is available at:

<https://www.bhavyacements.com/investor-relations/>

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

During the year under review, the Company has neither given any loan/guarantee or provided any security or made any investment under section 186 of the Companies Act, 2013.

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

During the year under review, all transactions entered by the Company with related parties were in the ordinary course of the business and at arm's length basis. There were 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.

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

During the year under review, no significant and material order has been passed by the Regulators, Courts, Tribunals impacting the going concern status and Company's operations in future.

23. PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS:

Based on the parameters set out by the Nomination and Remuneration Committee, the Board of Directors carried out an annual evaluation of its own performance, including that of its Committees and Individual Directors. Further, in a separate meeting of Independent Directors, held on February 06, 2023, the performance of non-independent directors, the Board as a whole and the Chairperson of the Company were evaluated. Performance of the Independent Director's was evaluated by the entire Board excluding the directors being evaluated.

24. 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 given in ‘**Annexure II**’ forming part of this report.

25. 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.bhavyacements.com/investor-relations/>

26. 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 at <https://www.bhavyacements.com/investor-relations/>

Your Company has fulfilled its obligation towards Corporate Social Responsibility for the FY 2022-23, by spending a sum ₹85.49 lakhs against the total CSR obligation of ₹69.60 lakhs for the said financial year on CSR activities. Thus, the Company has over spent ₹15.88 Lakhs, which shall be available for set off in succeeding Financial Years as per Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014. Your Company’s CSR initiatives are in the areas of promoting education and Rural Development.

The Annual Report on the Company’s CSR activities of the Company for the financial year 2022-23 is annexed as **Annexure III** to this Report.

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

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) and Rules framed thereunder. 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 which is duly constituted in compliance with the provisions of the POSH Act to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

Your company is committed to providing a safe and conducive work environment to all of its employees and associates. During the period under review, no complaint was received.

28. 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, 2023.

29. AUDITORS

STATUTORY AUDITOR:

The Statutory Auditors of your Company M/s. Ramanatham & Rao, Chartered Accountants, (Firm Registration Number S-2934) were appointed as Statutory Auditors for a term of five years at the 15th Annual General Meeting held on September 28, 2022 to hold office from the conclusion of the said Meeting till the conclusion of the 20th Annual General Meeting of the Company.

M/s. Ramanatham & Rao have audited the financial statement of the Company for the Financial Year ended March 31, 2023. The Statutory Auditors' report does not contain any qualification, reservation or adverse remark.

During the year under review, the Statutory Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

INTERNAL AUDITOR:

The Board of Directors of your company appointed M/s. M. Bhaskara Rao & Co, Chartered Accountants (Firm Registration No: 000459S) as Internal Auditors of the company to conduct Internal Audit for the financial year 2022-23 to conduct the Internal Audit of the Company.

COST AUDITOR:

As per the requirements of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained the cost records for the Financial Year 2022-23. The Board of Directors on the recommendation of the Audit Committee had appointed M/s. Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2022-23

The Board of Directors, based on the recommendation of the Audit Committee and the certification from the Cost Auditors certifying their independence and arm's length relationship with your Company, has appointed M/s. Narshimha Murthy & Co., Cost Accountants, as Cost Auditors of the Company for the financial year 2023-24, and fixed their remuneration, subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company. Necessary resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 16th 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, Practicing Company Secretaries, to carry out Secretarial Audit of the Company for the financial year 2022-23.

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, 2023 is attached as **Annexure IV**. The Secretarial Auditor's report does not contain any qualification, reservation or adverse remark.

30. ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2023 is available on the Company's website at:

<https://www.bhavyacements.com/investor-relations/>

31. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

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

32. ONE TIME SETTLEMENT WITH BANK:

During the year under review, there was no case of loan for which one-time settlement was required to be made with the Bank or Financial Institution.

33. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Board of Directors have put in place adequate systems that ensure compliance with applicable Secretarial Standards issued by The Institute of Company Secretaries of India, by the Company and the system are adequate and operating effectively.

34. 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.

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: May 16, 2023

Mrs. Valliammai
Director
DIN: 01197421

Annexure I
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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:

There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis and not in ordinary course of business.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangements or transactions conducted at arm's length and in the ordinary course of business for the year ended March 31, 2023 are as follows:

a) Name(s) of the Related Party and Nature of Relationship:

- i. Chettinad Cement Corporation Private Limited ("CCCPL") -Ultimate Parent Company
- ii. Anjani Portland Cement Limited (APCL)- Parent Company

b) Nature of contracts/arrangements/transactions:

Sale/Purchase/Supply of cement and related product [Section 188(1)(a) of Companies Act, 2013]

Availing and Rendering of Services [Section 188(1)(d) of Companies Act, 2013]

c) Duration of the contracts / arrangements/transactions: Continuous / On-going

d) Salient terms of the contracts or arrangements or transactions including the value, if any:

The transaction with Chettinad Cement Corporation Private Limited ("CCCPL") includes:

- (i) Purchase of Packing Material. The transaction value for the financial year 2022-23 was – ₹ 5.29 lakhs.

The transaction with Anjani Portland Cement Limited ("APCL") includes:

- (ii) Purchase/ Sale of Cement and Service Received/Provided.
The transaction value for the financial year 2022-23 was – ₹302.08 lakhs
- (iii) Availing and Rendering of Services
The transaction value for the financial year 2022-23 was – ₹1.80 lakhs

e) Date(s) of approval by the Board, if any:

Since these RPTs are in the 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.

f) Amount paid as advances, if any: NIL

On behalf of the Board
For Bhavya Cements Private Limited

N. Venkat Raju
Managing Director
DIN: 08672963

V. Valliammai
Director
DIN: 01197421

Place: Hyderabad
Date: May 16, 2023

Annexure-II

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the Financial Year ended March 31, 2023.

CONSERVATION OF ENERGY	
i. The steps taken on conservation of energy	<ol style="list-style-type: none"> 1. Replaced LED lights in place of conventional lights. 2. Conversion of motors from delta to star for Packer -1 Variation blowers of 8 No's 5.5 KW. 3. Conversion of motors from delta to star for Packer -2 Variation blowers of 12 No's 5.5 KW. 4. Replacement of Packer discharge belt with spiral chute by removal of 3 no's belt of 5.5 KW. 5. Conversion of old clinker feed conveyor from delta to star 11 KW motor. 6. Optimization of cooling air to the cooler from 2.7 NMQ / Kg clinker to 1.9 NMQ/Kg Clinker and reduction of energy in cooler fan
ii. The steps taken by the Company for utilizing alternate sources of energy	Alternate fuels like Pharma waste were used in place of indigenous / imported coal to substitute coal to an extent of 1.27 % of thermal energy requirement in the plant.
iii. The capital investment on energy conservation equipments	NIL

TECHNOLOGY ABSORPTION	
i. The efforts made towards technology absorption	<ol style="list-style-type: none"> 1. Implementation of LED high efficiency lamps in place of conventional lights. 2. Replacement of FRP impellers for shell cooling fans in place of conventional impellers.
ii. The benefits derived from key projects like product improvement, cost reduction, product development or import substitution.	<p>To reduce cost, the following steps were implemented:</p> <ol style="list-style-type: none"> 1. Consumption of alternative raw materials (like Spent Iron sludge) at zero cost. 2. Consumption of alternative fuels (like Spent Carbon, organic solids & Rice husk) at zero cost in place of coal / imported coal.

	3. Consumption of PI (Limestone) in Finished Product 4. Consumption of granulated slag in finished product. 5. Consumption of process sludge in place of Laterite at zero cost.
iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - a) The details of technology imported; b) The year of import; c) Whether the technology been fully absorbed; d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof; and	NIL
iv. The expenditure incurred on Research and Development	NIL
FOREIGN EXCHANGE EARNINGS & OUTGO	NIL

On behalf of the Board
For Bhavya Cements Private Limited

V. Valliammai
Director
DIN: 01197421

Place: Hyderabad
Date: May 16, 2023

ANNEXURE- III
ANNUAL REPORT ON CSR ACTIVITIES

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

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 fulfil its commitment to be a socially responsible corporate citizen.

2. Composition of CSR Committee:

Sl. 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	2	2
2	Mrs. V. Valliammai	Independent Director	2	2
3	Mr. Ramkumar Palani	Director	2	2

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 <https://www.bhavyacements.com/about/>

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 <https://www.bhavyacements.com/investor-relations/>

The CSR projects approved by the Board is available on our website, at <https://www.bhavyacements.com/investor-relations/>

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

- a. **Average net profit of the company as per section 135(5):** ₹34,80,04,694/- for the preceding three financial years.
- b. **Two percent of average net profit of the company as per section 135(5):** ₹69,60,094/-
- c. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
- d. **Amount required to be set off for the financial year, if any:** NIL
- e. **Total CSR obligation for the financial year [(b) + (c) – (d)]:** ₹69,60,094/-

5. (a) Amount spent on CSR Projects:

Ongoing Project: NIL

Other than Ongoing Project: ₹85,48,728/-

(b) Amount spent in Administrative Overheads: NIL

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹85,48,728/-

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (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
₹85,48,728/-	NA	NA	NA	NA	NA

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

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section 5 of section 135	69,60,094/-
(ii)	Total amount spent for the Financial Year	85,48,728/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15,88,634/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	15,88,634/-

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

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount in unspent CSR amount under sub-section(6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135,if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2019-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	2020-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	2021-22	NIL	NIL	NIL	NIL	NIL	NIL	NIL

8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year: No

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

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					(1)	(2)	(3)
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors of
Bhavya Cements Private Limited

Date: May 16, 2023

Place: Chennai

S. Sandeep
Chairman CSR Committee
DIN: 09207372

N Venkat Raju
Managing Director
DIN: 08672963

Annexure IV

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, 2023**, 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, 2023 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	Independent Director	Appointed as Non-Executive Independent Director for a period of 5 years from 16/06/2021.
2	MAGANTHI SATYANARAYANA MURTHY	01612799	Independent Director	Appointed as Non-Executive Independent Director for a period of 5 years 02/02/2021
3	VENKAT RAJU NADIMPALLI	08672963	Managing Director	Appointed as Managing Director for a period of 5 years from 13/12/202 who is liable to retire by rotation.
4	PALANI RAMKUMAR	09207219	Non-Executive Director	Appointed as Non-Executive Director on 28/09/2022 who is liable to retire by rotation.
5	SUBRAMANYA RAO SANDEEP	09207372	Non-Executive Director	Appointed as Non-Executive Director on 28/09/2022 who is liable to retire by rotation.

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 obtained necessary consents for

meetings held on shorter notice 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.

We further report that during the year under review, the Board meetings were held on 11th May, 2022, 7th July, 2022, 02nd August, 2022, 02nd November, 2022 and 6th February, 2023.

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.

For P.S. RAO & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date : 16th May, 2023

Vanitha Nagulavari
Practicing Company Secretary
M.No.: A26859
C.P.: 10573
UDIN: A026859E000312254
Peer Review Cert. 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.

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.

FOR P.S. RAO & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date : 16th May, 2023

Vanitha Nagulavari
Company Secretary
M.No.:A26859
C.P. No:10573
UDIN: A026859E000312254
PEER REVIEW Cer. No.: 1890/2022



Independent Auditor's Report

To the Members of Bhavya Cosmetics Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bhavya Cosmetics Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, 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, 2023, and its loss (including other 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 (SA) 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.

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>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes. Refer Note 40 to the Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments and demands as on March 31, 2023 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 precedents 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 174(1) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 implementation and maintenance of 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(1)(c) 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 for operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(7) 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 in 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 Flows 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) The Company has not paid any remuneration to its directors during the year. Hence the provisions of section 197 of the Act are not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note #15).

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 assets 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 other proceeds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("intermediary"), 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-classes (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.

vi. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 requires for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. However, as per Rule 1 (g) of the Companies (Audit and Auditors) Rules, 2014 the auditors are required to comment on audit trail (edit log) for the year 2022-23. As the maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is not applicable to the Company for the year 2022-23, we are not reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 for the financial year ending March 31, 2023.

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.5-2834)


C. Kamalakar Rao
Partner
Membership No.82436

UDM12020A1BCU000702

Place : Hyderabad
Date : 14th May 2023



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 Concrete Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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. These 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 aspects.

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

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



Meaning of Internal Financial Controls over Financial Reporting:

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements that do occur or that may occur may 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 2023, 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 Ramanathan & Rao
Chartered accountants
(Firm Registration No.S-2934)

C. Karthikeyan Rao
Partner
Membership No.024363

UDIN: 230204818010007023

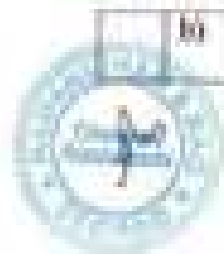
Place: Hyderabad
Date: 16th May 2023



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:

c. 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 does not have intangible assets. Hence, reporting under clause 3(RARB) of the Order is not applicable.
(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 mortgaged any of its Property, Plant and Equipment (including right-of-use assets) during the year.
(e)	No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any shares properly under the Share Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
d.	(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 was 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.
ii.	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(ii) of the Order is not applicable.
iii.	The Company has not granted loans, not made investments and not given guarantees or securities and hence reporting under clause 3(v) 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(r) of the Order is not applicable.
vi.	We have broadly reviewed the cost records maintained by the Company as prescribed under sub-section (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.
vi.	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, and other statutory dues applicable to it with the appropriate authorities.
	There are no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2023 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, 2023 on account of disputes are given below:



	Name of the Statute	Nature of dues	Forum where Dispute pending	Period to which the amount relates	Amount On Ledger	Amount paid under protest
	Central Excise Act, 1944	Excise Duty	Commissioner of Central Taxes, Guntur	February 2016 to June 2017	1001.87	-
	Commercial Taxes Department	Duty Tax	High Court for the State of Andhra Pradesh	April 2009 to March 2011	37.84	12.61
	Income Tax Act, 1961	Income Tax	Jurisdictional Assessing Officer	2018-19	17.44	-
	Income Tax Act, 1961	Income Tax	Jurisdictional Assessing Officer	2015-16	22.88	-
	Income Tax Act, 1961	Income Tax	Jurisdictional Assessing Officer	2013-20	2.40	-
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. The Company has not taken loans from financial institutions and Government.				
	b)	The Company has not been declared willful 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(x)(a) and (f) of the Order is not applicable.				
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 11 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 3(x)(c) of the Order is not applicable.					
xiii.	In our opinion, the Company is in compliance with 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable to the Company.					
xiv.	a)	In our opinion the Company has an adequate internal audit system commensurate with the size and				



		the nature of its business.
	(i)	We have considered, the internal audit reports of the Company issued till date, for the period under audit.
	xxv	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, 2013 are not applicable to the Company.
	xxvi. a)	In our opinion, the Company is not required to be registered under section 43-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause Max(a) and (b) of the Order is not applicable.
	b)	In our opinion, there is no asset investment company within the Group (as defined in the Class Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause Xxx(c) and (d) of the Order is not applicable.
	xxvii.	The Company has incurred cash losses of Rs. 433.29 lakhs during the financial year covered by our audit and has not incurred cash losses in the immediately preceding financial year.
	xxviii.	There has been no resignation of the statutory auditors of the Company during the year.
	xxix.	On the basis of the financial ratios, going 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.
	xxx. 4)	There is no amount to be spent for other than ongoing projects towards Corporate Social Responsibility (CSR). Hence, reporting under clause Max(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 Xxx(b) of the Order is not applicable.

For Ramanatham & Rao
Chartered Accountants
(Firm Registration No.5-2934)


C. Karanthwar Rao
Partner
Membership No.024380

UDIN: 23834363BGTJ3KQ7822

Place: Hyderabad
Date: 18th May 2023



Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	2	17,202.35	18,058.10
Right of Use Assets	44	1.46	195.66
Capital work-in-progress	2	63.02	-
Investment Property	4	103.77	108.88
Other intangible assets	3	-	-
Financial assets			
i. Other financial assets	5	0.35	1,501.36
Other non-current assets	6	814.36	808.87
Total non-current assets		18,185.31	20,672.87
Current assets			
Inventories	7	2,985.53	2,108.81
Financial assets			
i. Trade receivables	8	2,125.53	3,753.72
ii. Cash and cash equivalents	9	-	348.89
iii. Bank Balances other than (ii) above	10	-	87.24
iv. Other financial assets	5	1,666.27	47.50
Current tax assets (net)	11	146.94	-
Other current assets	12	324.63	1,642.27
Total current assets		7,248.90	7,988.43
Total Assets		25,434.21	28,661.30
Equity and Liabilities			
Equity			
Equity share capital	13	13,231.59	13,231.59
Other equity	14	491.76	3,059.47
Total equity		13,723.35	16,291.06
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	2,300.00	3,000.00
ii. Lease liabilities	44	0.97	172.75
Provisions	16	161.80	204.91
Deferred tax liabilities (net)	17	1,006.00	975.51
Total non-current liabilities		3,468.77	4,353.17
Current liabilities			
Financial liabilities			
i. Borrowings	18	3,702.33	3,179.70
ii. Lease liabilities	44	0.50	28.34
iii. Trade payables	19		
a) Total outstanding dues of micro and small enterprises		507.78	684.80
b) Total outstanding dues of creditors other than micro and small enterprises		2,561.64	1,693.68
iv. Other financial liabilities	20	795.62	905.26
Other current liabilities	21	651.72	1,331.15
Provisions	16	22.50	4.84
Current tax liabilities (net)	22	-	189.30
Total current liabilities		8,242.09	8,017.07
Total liabilities		11,710.86	12,370.24
Total equity and liabilities		25,434.21	28,661.30

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 and on behalf of the Board

For Ramanatham & Rao

Chartered Accountants

ICAI firm registration number: S-2934

N. Venkat Raju

Managing Director

DIN: 08672963

V Valliammai

Director

DIN: 01197421

S. Sandeep

Director

DIN: 09207372

C. Kameshwar Rao

Partner

Membership No.: 024363

P Ramkumar

Director

DIN: 09207219

M Satyanarayana Murthy

Director

DIN: 01612799

Place: Hyderabad

Date: May 16, 2023

M.S.K Chaitanya

Chief Financial Officer

PAN: BEUPM7389K

Jyoti Agarwal Singhal

Company Secretary

M No. A56780

Place: Chennai

Date: May 16, 2023

Bhavya Cements Private Limited

CIN: U26941AP2007PTC053611

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

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	23	24,169.44	40,662.27
Other income	24	226.05	467.27
Total Income (i)		24,395.49	41,129.54
Expenses			
Cost of raw materials consumed	25	2,667.10	5,364.71
Purchase of stock-in-trade		8.03	-
Changes in inventories of work-in-process and finished goods	26	(267.51)	(617.10)
Employee benefits expense	27	1,388.04	1,317.79
Finance costs	28	606.85	1,158.55
Depreciation and amortisation expense	29	1,835.75	1,986.98
Power and fuel	30	14,609.67	18,226.88
Freight and forwarding expense		2,965.19	5,450.96
Other expenses	31	3,161.57	4,641.11
Total expenses (ii)		26,974.69	37,529.88
Profit before tax ((i)-(ii))		(2,579.20)	3,599.66
Tax expense			
Current tax	32	-	865.12
Deferred tax	32	21.49	(6.80)
Earlier years' tax	32	(6.19)	0.55
Total tax expense	32	15.30	858.87
Profit/(loss) for the year	14	(2,594.50)	2,740.79
Other comprehensive income / (loss) for the year			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		35.80	49.67
(b) Income tax relating to items (a) above		(9.01)	(12.50)
Other comprehensive income/(loss) for the year, net of tax	14	26.79	37.17
Total comprehensive income for the year		(2,567.71)	2,777.96
Earnings per share (equity shares, par value Rs.10 each)			
Basic earnings per share in Rupees	33	(1.96)	1.96
Diluted earnings per share in Rupees		(1.96)	1.96
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 and on behalf of the Board

For Ramanatham & Rao
Chartered Accountants
ICAI firm registration number: S-2934

N. Venkat Raju
Managing Director
DIN: 08672963

V Valliammai
Director
DIN: 01197421

S. Sandeep
Director
DIN: 09207372

C. Kameshwar Rao
Partner
Membership No.: 024363

M Satyanarayana Murthy
Director
DIN: 01612799

P Ramkumar
Director
DIN: 09207219

M.S.K Chaitanya
Chief Financial Officer
PAN: BEUPM7389K

Jyoti Agarwal Singhal
Company Secretary
M No. A56780

Place: Hyderabad
Date: May 16, 2023

Place: Chennai
Date: May 16, 2023

Bhavya Cements Private Limited

CIN: U26941AP2007PTC053611

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

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

Statement of Changes in Equity

I) Equity share capital

Particulars	Note No	Amounts
Balance as at April 1, 2022		13,231.59
Changes in equity share capital during the year	13	-
Balance as at March 31, 2023		13,231.59
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

II) Other equity

Particulars	Note No	Reserves and Surplus				Total
		Securities Premium	Capital Redemption Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2022		-	760.60	2,272.83	26.04	3,059.47
Profit for the year	14	-	-	(2,594.50)	-	(2,594.50)
Other comprehensive income/(loss)	14	-	-	-	26.79	26.79
Balance as at March 31, 2023		-	760.60	(321.67)	52.83	491.76
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		(0.00)	760.60	2,272.83	26.04	3,059.47

As per our report of even date

For and on behalf of the Board

For Ramanatham & Rao

Chartered Accountants

ICAI firm registration number: S-2934

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PAN: BEUPM7389K

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Date: May 16, 2023

Jyoti Agarwal Singhal

Company Secretary

M No. A56780

Place: Chennai

Date: May 16, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from operating activities		
Net profit before tax	(2,579.20)	3,599.66
Adjustments for operating activities :		
Depreciation and amortisation expense	1,835.75	1,986.98
Interest income from Bank Deposits and Others	(51.83)	(285.04)
Net gain on disposal of property, plant and equipment	(16.81)	(40.03)
Bad debts written off	34.80	8.90
Provision for doubtful debts	110.16	47.53
Liabilities no longer required written back	(13.07)	(1.21)
Interest income from financial assets at amortised cost	(144.31)	(140.99)
Interest expenses on financial liabilities calculated using effective interest rate	24.17	524.23
Finance costs	582.68	634.32
Operating cash flow before working capital changes	(217.66)	6,334.35
Decrease / (increase) in Inventories	(876.72)	(584.03)
Decrease / (increase) in Trade Receivables	1,483.23	(1,312.18)
Decrease / (increase) in Financial Assets	26.55	964.14
Decrease / (increase) in Other Non Current Assets	9.55	(0.87)
Decrease / (increase) in Other Current Assets	1,321.11	(834.45)
Increase/(decrease) in Trade Payables	690.94	(1,441.23)
Increase/(decrease) in Provisions	10.35	(30.96)
Increase/(decrease) in Financial Liabilities	(111.50)	(58.44)
Increase/ (decrease) in other Current Liabilities	(733.67)	(543.58)
Cash generated from operating activities	1,602.18	2,492.75
Income taxes paid, net of refunds	(275.00)	(682.83)
Net cash flow from operating activities	(A)	1,327.18
1,327.18		1,809.92
Cash flows from investing activities		
Payments for property, plant and equipment	(1,028.82)	(118.39)
(Increase) / Decrease in capital advances	(15.06)	1,245.54
Proceeds from sale of fixed assets	26.90	75.81
Proceeds from redemption of NCDs	-	8,500.00
Proceeds from bank deposits/ (bank deposits made) (net)	87.24	396.06
Interest income received	48.37	644.15
Net cash used in investing activities	(B)	(881.37)
(881.37)		10,743.17
Cash flows from financing activities		
Proceeds from / (Repayment of) borrowings	(2,477.37)	(8,039.80)
ICD received from Ultimate Holding Company	2,300.00	-
Lease liabilities paid	(36.51)	(33.15)
Payments made towards Buyback of equity shares	-	(4,000.00)
Payments made towards Buyback tax	-	(928.54)
Finance costs paid	(580.82)	(625.14)
Net cash flow from financing activities	(C)	(13,626.63)
(794.70)		(13,626.63)
Net increase in cash and cash equivalents	(A+B+C)	(348.89)
(348.89)		(1,073.54)
Cash and cash equivalents at the beginning of the period	348.89	1,422.43
Cash and cash equivalents at the end of the period	-	348.89
348.89		348.89
Components of cash and cash equivalents (refer note 9)		
- Cash on hand	-	1.50
Balances with banks		
- on current accounts	-	347.39
Deposits with original maturity of less than three months	-	-
		348.89
Summary of significant accounting policies	1	

1) Components of cash and cash equivalents

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balances with banks in current accounts	-	347.39
Balances with banks in deposit accounts	-	-
Cash on hand	-	1.50
Cash and cash equivalents considered in the cash flow statement	-	348.89

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, 2022	Cash flows (net outflows)	Non-Cash Changes	Outstanding as at March 31, 2023
Non Current Borrowings	3,000.00	(1,500.00)	(1,500.00)	-
Current Borrowings	3,179.70	(977.37)	1,500.00	3,702.33
ICD from Ultimate Holding Company	-	2,300.00	-	2,300.00
Total Borrowings	6,179.70	(177.37)	-	6,002.33

The notes referred to above form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For Ramanatham & Rao
Chartered Accountants
ICAI firm registration number: S-2934

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Company Secretary
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Place: Hyderabad
Date: May 16, 2023

Place: Chennai
Date: May 16, 2023

Bhavya Cements Private Limited

CIN: U26941AP2007PTC053611

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

a) Brief description of the Company

Bhavya Cements Private 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 Mandal, Guntur District, Andhra Pradesh.

The company is a subsidiary of Anjani Portland Cement Limited ('holding company') and as of March 31, 2023 ; the holding company holds 99.09% equity of the Company.

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.

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.

Assets	Useful lives as prescribed in Schedule II to the Companies Act, 2013	
	30 Years	10 Years
Factory Buildings	30	30
Other Buildings	30	30
Plant & Machinery	10	10
Other Machinery	10	10
Furniture & Fixtures	10	10
Motor Vehicles	5	5

Based on the technical evaluation, the useful lives of some of the Plant & Machinery items are considered in the range of 5-10 years and the management believes the useful life considered best represents the period over which the assets are expected to be used. Hence, the useful life of these assets is different from the useful lives as prescribed under the Schedule II to the Companies Act, 2013

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) Investment Property:

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model which is in accordance with Ind AS 40.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

i) Intangible assets

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

j) 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.

k) 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.

l) 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 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.

m) 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.

n) 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.

o) 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 recognized 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 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.

p) 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.

q) 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 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.

r) 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.

s) 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.

t) Segment reporting

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

u) 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-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.

v) 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.

w) 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.

x) 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.

y) 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.

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.

z) Recent accounting announcements

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

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

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes-This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

4 Investment Property

Asset Description	Gross carrying amount				Accumulated Amortization				Net carrying amount	
	As at April 1, 2022	Additions	Deletions / Adjustments	As at March 31, 2023	As at April 1, 2022	Amortisation for the year	Deletions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Residential Buildings ^	111.58			111.58	2.70	5.11	-	7.81	103.77	108.88
	111.58	-	-	111.58	2.70	5.11	-	7.81	103.77	108.88

Disclosure under Ind AS 40

Particulars	FY 2022-23	FY 2021-22
Rental Income from Investment Property	-	-
Less: Direct operating expenses (amount paid towards maintenance charges)^	0.85	4.50
Income/(Loss) from Investment property (net)	(0.85)	(4.50)

^ The fair value of the Investment property is Rs 122.83 Lakhs as at March 31, 2023

^^ FY 2021-22 amount paid towards maintenance charges include one-time Corpus fund, one-time Power backup charges and annual maintenance charges

Notes:

Refer to note 40 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, 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, 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	3,791.98	4,229.70
Non-factory buildings	2,393.91	-	-	2,393.91	111.00	115.19	-	226.19	2,167.72	2,282.91
Plant and equipment	13,838.33	-	393.83	13,444.50	1,689.31	1,430.69	-	3,120.00	10,324.50	12,149.03
Furniture and fixtures	3.94	-	-	3.94	1.33	1.17	-	2.50	1.44	2.61
Office equipment	2.34	-	-	2.34	0.48	0.26	-	0.74	1.60	1.86
Vehicles	265.81	-	51.92	213.89	77.48	48.99	16.15	110.32	103.56	188.33
Data Processing equipments	3.86	7.83	-	11.68	2.02	3.20	-	5.22	6.47	1.84
Total	22,721.98	118.39	461.58	22,378.78	2,315.44	2,021.39	16.15	4,320.67	18,058.10	20,406.55
Capital Work in Progress									-	-

3 Other intangible assets

Asset Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount	
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Amortisation for the year	Deletions	As at March 31, 2022	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	-	-
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4 Investment Property

Asset Description	Gross carrying amount			Accumulated Amortisation				Net carrying amount		
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Amortisation for the year	Deletions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Residential Buildings ^	111.58			111.58	1.36	1.34	-	2.70	108.88	110.22
	111.58	-	-	111.58	1.36	1.34	-	2.70	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 40 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Bhavya Cements Private Limited

CIN: U26941AP2007PTC053611

Notes to the financials statements for the year ended March 31, 2023

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

5 Financial Assets - Others

	March 31, 2023	March 31, 2022
Non Current		
Unsecured, considered good		
Security deposits	0.35	21.39
Sales tax incentives receivable	-	375.57
Power incentives receivable	-	1,104.40
Total other financial assets - non-current	0.35	1,501.36
Current		
Sales tax incentives receivable	411.90	-
Power incentives receivable	1,211.23	-
GST Receivable on Ocean Freight	9.51	-
Security deposits	0.42	17.76
Interest receivable	33.21	29.74
Total other financial assets - current	1,666.27	47.50

6 Other non-current assets

	March 31, 2023	March 31, 2022
Capital advances	15.06	-
Balances with statutory authorities	12.61	17.44
Security deposits	786.69	791.43
	814.36	808.87

7 Inventories

	March 31, 2023	March 31, 2022
Raw materials	186.76	98.67
Work-in-process	767.17	777.41
Finished goods	355.26	77.51
Packing materials	100.43	107.89
Stores & spares	753.44	764.41
Coal & AFL	822.47	282.92
	2,985.53	2,108.81

8 Trade receivables

	March 31, 2023	March 31, 2022
a) Trade receivables considered good - secured	385.33	373.17
b) Trade receivables considered good - unsecured	1,697.35	3,436.43
c) Trade receivables which have significant increase in credit risk	116.93	44.17
d) Trade receivables - credit impaired	124.95	17.35
e) Trade receivables from related parties	28.53	-
Total	2,353.09	3,871.12
Less: Allowance for doubtful debts	(227.56)	(117.40)
Total Trade receivables	2,125.53	3,753.72

Ageing for trade receivables - billed - current outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6months- 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables- considered good	305.01	699.99	680.36	274.23	151.46	0.16	2,111.21
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	80.95	35.98	116.93
iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	21.73	76.60	15.08	0.55	10.99	124.95
vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	305.01	721.72	756.96	289.31	232.96	47.13	2,353.09
Less: Allowance for doubtful trade receivables- Billed	-	20.74	37.85	28.93	116.48	23.56	227.56
Total	305.01	700.98	719.11	260.38	116.49	23.56	2,125.53

Trade receivables- Unbilled : There are no unbilled trade receivables as at March 31, 2023

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	6months- 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables- considered good	1,631.97	1,464.98	429.01	283.65	-	-	3,809.61
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	18.04	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	17.34
vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	1,631.97	1,464.98	429.01	283.77	30.70	30.69	3,871.12
Less: Allowance for doubtful trade receivables- Billed	-	20.74	29.55	28.38	19.37	19.36	117.40
Total	1,631.97	1,444.24	399.46	255.39	11.33	11.33	3,753.72

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

9 Cash and cash equivalents

	March 31, 2023	March 31, 2022
Cash and cash equivalents		
Balances with banks		
In current accounts	-	347.39
Deposits with original maturity of less than three months	-	-
Cash in hand	-	1.50
	-	348.89

10 Bank Balances other than cash and cash equivalents above

	March 31, 2023	March 31, 2022
Balances with banks		
Term deposits	-	5.29
Margin Money against Bank Guarantee	-	81.95
	-	87.24

11 Current tax assets

	March 31, 2023	March 31, 2022
Advance Income tax	146.94	-
	146.94	-

12 Other current assets

	March 31, 2023	March 31, 2022
Unsecured, considered good		
Advance recoverable in cash or kind	207.45	1,573.54
Prepaid expenses	101.29	68.73
CSR Carry forward	15.89	-
	324.63	1,642.27

13 Equity Share capital

	March 31, 2023	March 31, 2022
Authorised share capital		
140,000,000 (March 31, 2022 : 140,000,000) equity shares of Rs. 10 each	14,000.00	14,000.00
	14,000.00	14,000.00
Issued, subscribed and paid-up		
132,315,875 (March 31, 2022 : 132,315,875) equity shares of Rs 10 each	13,231.59	13,231.59
	13,231.59	13,231.59

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

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
At the commencement of the year	13,23,15,875	13,231.59	13,99,21,875	13,992.19
Add: Bonus shares issued	-	-	-	-
Less: Share Buyback done during the year	-	-	(76,06,000)	(760.60)
At the end of the year	13,23,15,875	13,231.59	13,23,15,875	13,231.59

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of INR 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.

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, 2023	March 31, 2022
Anjani Portland Cement Limited	1,311.14	1,310.96
13,11,13,971 (March 31, 2022 : 13,10,96,395) equity shares of Rs.10 each fully paid.		

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

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number	% holding in the class	Number	% holding in the class
Anjani Portland Cement Limited	13,11,13,971	99.09%	13,10,96,395	99.08%

d) Shareholding of promoters at the end of March 31, 2023

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	13,10,96,395	13,11,13,971	99.09%	0.01%

During the current year, i.e. FY 2022-23; Anjani Portland Cement Limited has acquired 17,576 equity shares of the company, aggregating to 0.001% of the equity share capital of the company from its existing shareholders

e) 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)	0	13,10,96,395	99.08%	100.00%
Bhavya Constructions Pvt. Limited (ceased to be a promoter w.e.f. June 8, 2021)	10,47,36,525	0	0.00%	-100.00%
V Ananda Prasad (ceased to be a promoter w.e.f. June 8, 2021)	1,35,24,593	8,52,451	0.64%	-93.70%
V Aditya (ceased to be a promoter w.e.f. June 8, 2021)	28,39,247	2,00,281	0.15%	-92.95%
V Krishna Kumari (ceased to be a promoter w.e.f. June 8, 2021)	25,79,625	1,41,268	0.11%	-94.52%
P. Shiva Kumar (ceased to be a promoter w.e.f. June 8, 2021)	30,48,047	0	0.00%	-100.00%

[^] During the previous year, i.e. FY 2021-22, 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

14 Other Equity**a) Securities premium**

	March 31, 2023	March 31, 2022
At the commencement of the year	-	3,375.00
Less: Utilized towards equity share buyback	-	(3,239.40)
Less: Transfer to Capital Redemption Reserve	-	(135.60)
At the end of the year	-	(0.00)

b) Capital redemption reserve

At the commencement of the year	760.60	-
Add: Amount transferred during the year	-	760.60
Less: Utilised during the year	-	-
At the end of the year	<u>760.60</u>	<u>760.60</u>

c) Retained earnings

Balance as per last financial statement	2,272.83	1,085.58
Add: Profit for the year	(2,594.50)	2,740.79
Less: Appropriations		
Transfer to Capital Redemption Reserve	-	(625.00)
Utilised towards payment of buyback tax	-	(928.54)
Total appropriations	-	<u>(1,553.54)</u>
Net surplus in the statement of profit and loss	<u>(321.67)</u>	<u>2,272.83</u>

d) Other Comprehensive Income

Items that will not be reclassified to Profit or Loss Account

Opening Balance	26.04	(11.13)
Remeasurement of Post employment benefit obligation	26.79	37.17
Closing Balance	<u>52.83</u>	<u>26.04</u>

Other Equity491.76 3,059.47**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) Capital redemption reserve

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

c) 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, 2023		March 31, 2022	
	Current	Non Current	Current	Non Current
Secured				
Term Loan				
From Banks (refer note 15a)	3,000.00	-	1,500.00	3,000.00
	<u>3,000.00</u>	<u>-</u>	<u>1,500.00</u>	<u>3,000.00</u>
Unsecured				
Inter Corporate Deposits from Ultimate Holding Company (refer 15b)	-	2,300.00	-	-
	<u>-</u>	<u>2,300.00</u>	<u>-</u>	<u>-</u>
Amount disclosed under current maturities (refer note 18)	(3,000.00)	-	(1,500.00)	-
	<u>-</u>	<u>2,300.00</u>	<u>-</u>	<u>3,000.00</u>

15a. The Working Capital Term Loan of Rs 4,500 Lakhs from HDFC Bank, was carrying interest rate, ranging from 6.05% p.a. to 9.19% p.a., is 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 Rs 5,850 lakhs. During FY 2022-23, the company has repaid Rs 1,500 Lakhs of Working Capital Term Loan on respective installment dates and the Outstanding loan amount stands at Rs 3,000 Lakhs as on March 31, 2023.

As of April 6, 2023; the company has prepaid the Outstanding amount of Working Capital Term loan in full. Hence, the total Outstanding loan amount has been grouped under 'Current Borrowings'.

15b. During FY 2022-23, the Company has availed Inter-Corporate Deposits of Rs 2,300 Lakhs from Ultimate Holding Company at an interest rate of 6% p.a.

16 Provisions

	March 31, 2023		March 31, 2022	
	Current	Non Current	Current	Non Current
Provision for employee benefits				
- Gratuity	12.95	0.00	3.86	27.96
- Compensated absences	9.55	42.92	0.98	70.34
Others				
De-Commissioning Liability	-	118.88	-	106.61
	<u>22.50</u>	<u>161.80</u>	<u>4.84</u>	<u>204.91</u>

17 Deferred tax liabilities (net)

	March 31, 2023	March 31, 2022
Deferred tax liabilities		
On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	1,066.03	1,029.39
DTA Addition/(Reversal) on account of Ind AS	24.44	7.88
Gross deferred tax liabilities	<u>1,090.47</u>	<u>1,037.27</u>
Deferred tax assets		
Impact of expenditure debited to statement of profit or loss but allowable for tax purpose on payment basis	27.20	32.21
Provision for site restoration expenses	-	-
Allowance for doubtful trade receivables	57.27	29.55
Gross deferred tax assets	<u>84.47</u>	<u>61.76</u>
Deferred tax liabilities (net)	<u>1,006.00</u>	<u>975.51</u>

Movement in deferred tax liabilities/(assets) - FY 2022-23

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 purpose on payment basis	Allowance for doubtful trade receivables	Others	Total
At March 31, 2022	1,029.39	(32.21)	(29.55)	7.88	975.50
to profit or loss	36.64	5.01	(27.72)	7.55	21.49
to other comprehensive income	-	-	-	9.01	9.01
At March 31, 2023	<u>1,066.03</u>	<u>(27.20)</u>	<u>(57.27)</u>	<u>24.44</u>	<u>1,006.00</u>

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 purpose on payment basis	Allowance for doubtful trade receivables	Others	Total
At April 1, 2021	980.57	(90.59)	(5.08)	84.91	969.81
to profit or loss	48.82	58.38	(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

18 Current Borrowings

Particulars	March 31, 2023	March 31, 2022
Secured		
Working capital loan from banks (refer note 18a , note 18b)	702.33	1,679.70
Current maturities of long term borrowings (refer note 15)	3,000.00	1,500.00
	3,702.33	3,179.70

18a The company has Working capital facilities of Rs 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 ranging from 7.35% p.a. - 8.25% p.a.

18b. The carrying amount of financial and non financial assets pledged as security for current borrowings are disclosed in Note 45

19 Trade payables

	March 31, 2023	March 31, 2022
Total outstanding dues of micro and small enterprises	507.78	684.80
Total outstanding dues of creditors other than micro and small enterprises	2,561.64	1,693.68
	3,069.42	2,378.48

Ageing for trade payables as at March 31, 2023

Particulars	Unbilled	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*	-	507.78	-	-	-	-	507.78
ii) Others	85.82	530.44	1,932.04	0.54	0.25	12.55	2,561.64
iii) Disputed dues MSME*	-	-	-	-	-	-	-
iv) Disputed dues others	-	-	-	-	-	-	-
Total	85.82	1,038.22	1,932.04	0.54	0.25	12.55	3,069.42

Ageing for trade payables as at March 31, 2022

Particulars	Unbilled	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	110.25	1,528.71	31.67	0.95	-	22.10	1,693.68
iii) Disputed dues MSME*	-	-	-	-	-	-	-
iv) Disputed dues others	-	-	-	-	-	-	-
Total	110.25	2,208.22	36.96	0.95	-	22.10	2,378.48

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

20 Other financial liabilities

	March 31, 2023	March 31, 2022
Deposits from dealers	689.66	754.70
Employee benefits payable	71.71	94.68
Capital creditors	0.47	6.65
Retention money	2.48	2.48
Accrued interest	23.50	21.63
Others	7.80	25.12
	795.62	905.26

21 Other current liabilities

	March 31, 2023	March 31, 2022
Advance from customers	331.42	369.96
Statutory dues payable	235.94	862.16
Others	84.36	99.03
	651.72	1,331.15

22 Current tax liabilities (net)

	March 31, 2023	March 31, 2022
Provision for taxes (net of advance tax)	-	189.30
	-	189.30

23 Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of manufactured products - (Net of Discounts)	24,075.60	40,556.02
Sale of traded products - Cement	9.87	-
Other operating revenue		
Scrap sales	83.97	106.25
	24,169.44	40,662.27
Break-up of revenue from sale of goods		
Manufactured goods		
Cement	23,560.36	40,529.92
Clinker	515.24	-
	24,075.60	40,529.92

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, 2023	For the year ended March 31, 2022
Interest income on		
Bank deposits	0.12	8.51
Investments (refer note 24a)	-	221.70
Others	51.72	54.83
Interest income from financial assets at amortised cost	144.31	140.99
Liabilities no longer required written back	13.07	1.21
Net gain on disposal of property, plant and equipment	16.81	40.03
Rental Income	0.02	-
	226.05	467.27

24a : During the previous year, FY 2021-22, the company has received interest on NCDs till the date of redemption (i.e. June 7, 2021)

25 Cost of raw materials consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	98.67	129.23
Add : Purchases	2,755.19	5,334.15
Less : Inventory at the end of the year	(186.76)	(98.67)
Raw Material consumed during the year	2,667.10	5,364.71
Break-up of cost of materials consumed		
Limestone	1,442.18	2,131.79
Laterite	287.64	618.44
Slag	29.14	57.25
Gypsum	382.14	808.70
Fly ash	529.06	730.93
Process sludge	(3.06)	-
Clinker	-	1,017.60
	2,667.10	5,364.71
Breakup of inventory - raw materials		
Limestone	88.24	32.66
Laterite	32.63	15.64
Slag	-	3.43
Gypsum	57.23	46.60
Fly Ash & Pond Ash	12.71	0.34
Process sludge	(4.05)	-
	186.76	98.67

26 Changes in inventories of work-in-process and finished goods

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening work-in-process	777.41	163.32
Opening finished goods	77.51	74.50
	854.92	237.82
Closing work-in-process	767.17	777.41
Closing finished goods	355.26	77.51
	1,122.43	854.92
Net changes in inventories of work-in-process and finished goods	(267.51)	(617.10)

Details of inventory**Work-in-process**

Raw meal	19.49	26.15
Linker	747.68	751.26
	767.17	777.41

Finished goods

Cement	355.26	77.51
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27 Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,247.61	1,136.13
Contribution to provident fund and other funds (refer note 39)	83.49	84.38
Gratuity expense (refer note 39)	29.57	46.08
Compensated absences	(10.19)	(21.66)
Staff welfare expense	37.56	54.26
Directors' remuneration	-	18.60
	1,388.04	1,317.79

28 Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expenses		
On term loans	289.21	275.39
On working capital loans	236.81	111.41
On financial liabilities calculated using effective interest rate	24.17	524.23
Others	28.34	11.55
Loan Preclosure charges (refer note 28a)	-	222.08
Other Borrowing costs	28.32	13.89
	606.85	1,158.55

28a : During the previous year, FY 2021-22, the company has paid loan preclosure charges for closure of term loans availed from NBFCs

29 Depreciation and amortisation expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant & equipment (refer note 2)	1,811.45	2,021.39
Amortization of intangible assets (refer note 3)	-	-
Depreciation on Investment Property (refer note 4)	5.11	1.34
Amortization of Right-of-use Assets	19.19	(35.75)
	1,835.75	1,986.98

30 Power and Fuel

	For the year ended March 31, 2023	For the year ended March 31, 2022
Power Cost	3,571.40	4,028.87
Coal Cost	11,038.27	14,198.01
	14,609.67	18,226.88

31 Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares	851.18	1,528.18
Packing material consumed	816.09	1,481.43
Labour charges	569.94	452.07
Repairs and maintenance		
Building	15.20	25.13
Plant & machinery	89.88	232.59
Others	1.46	11.41
Printing and communication	33.03	28.73
Rent	16.27	62.42
Rates and taxes	54.39	67.64
Travelling and conveyance	64.78	63.64
Legal and professional	95.77	153.62
Payments to auditor*	8.00	6.14
Insurance	71.32	101.09
Bad debts/ Advance written off	34.80	8.90
Selling expenses	29.28	93.13
Advertisement and sales promotion	57.35	36.67
Office maintenance	157.85	166.85
Provision for doubtful debts	110.16	47.53
Loss on foreign currency transactions (net)	2.85	-
Corporate social responsibility (refer note 42(b))	69.60	47.97
Donations	-	-
Bank charges	2.72	10.89
Miscellaneous expenses	9.65	15.08
	3,161.57	4,641.11

***Payments to auditor**

Statutory/Audit fee	5.00	5.00
In other capacity:		
Quarterly review fees	1.50	1.13
Tax Audit fees	1.50	-
Other services (certification fees)	-	0.01
Reimbursement of expenses	-	-
	8.00	6.14

32 Income tax expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Income tax expense		
Current Tax		
Current tax on profits for the year	-	865.12
Adjustment for current tax of prior periods	(6.19)	0.55
Total Current tax expense	(6.19)	865.67
Deferred Tax		
Decrease/(Increase) in deferred tax assets	(22.70)	33.92
(Decrease)/Increase in deferred tax liabilities	44.19	(40.72)
Total deferred tax expense/(benefit)	21.49	(6.80)
Total	15.30	858.87

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

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income tax expense	(2,579.20)	3,599.66
Tax at the Indian tax rate of 25.168%	-	905.96
Tax arising on account of effect of disallowed expenses and effect of allowed expenses	21.49	(47.64)
Prior period tax expense	(6.19)	0.55
Income tax expense	15.30	858.87

33 Earnings per share**(a) Basic earnings per share**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic earnings per share attributable to the equity holders of the Company in Rupees	(1.96)	1.96

(b) Diluted earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Diluted earnings per share attributable to the equity holders of the Company in Rupees	(1.96)	1.96

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic/Diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	(2,594.50)	2,740.79
Weighted average number of Equity Shares outstanding during the year (in Number)	13,23,15,875	13,96,30,138
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	(2,594.50)	2,740.79

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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 entity:

Name of the Company	Ownership interest held by the parent entity			
	Place of Incorporation	Registered Address	As at March 31, 2023	As at March 31, 2022
Chettinad Cement Corporation Private Limited - Ultimate Holding Company##	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600006, India	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%	99.08%
Bhavya Constructions Pvt. Limited^^	India	Bhavya's Spoorthi Bhavan, 1st Floor, Film Nagar, Jubilee Hills, Hyderabad, Telangana - 500096, India	NA	0.00%

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

(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, 2023	As at March 31, 2022
Chettinad Power Corporation Private Limited##	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006, India	NIL	100%
Grand Paper & Boards Private Limited**	India	NO.37,Old Mahabalipuram Road, Kazhipattur Village,Padur Post, Kanchipuram, Kancheepuram, Tamil Nadu - 603103, India	NIL	100%
Belaire Apartments Private Limited	India	Plot No.18, Block No.1 Rajmahal Vilas, 2nd Stage, Bengaluru, Karnataka - 560094, India	100%	100%
Grand Lanka Exim (Private) Limited ^^	Sri Lanka	No.354 Hamilton Canal Rod, Dickovita, Hendala, Wattala, Sri Lanka	NIL	98%

In the beginning of the Financial Year, Chettinad Power Corporation Private Limited was a subsidiary of Chettinad Cement Corporation Private Limited, the Ultimate Holding company. However, as on March 31, 2023; Chettinad Cement Corporation Private Limited has sold the entire shares held in Chettinad Power Corporation Private Limited and no longer exercises control over Chettinad Power Corporation Private Limited.

** In the beginning of the Financial Year, Grand Paper & Boards Private Limited was a subsidiary of Chettinad Cement Corporation Private Limited, the Ultimate Holding company. However, as on March 31, 2023; Chettinad Cement Corporation Private Limited has sold the entire shares held in Grand Paper & Boards Private Limited and no longer exercises control over Grand Paper & Boards Private Limited.

^^ In the beginning of the Financial Year, Grand Lanka Exim (Private) Limited was a step down subsidiary of Chettinad Cement Corporation Private Limited, the Ultimate Holding company of the Company and Grand Lanka Exim (Private) Limited was a subsidiary of Grand Paper & Boards Private Limited. However, as on March 31, 2023; Chettinad Cement Corporation Private Limited has sold the entire shares held in Grand Paper & Boards Private Limited and consequent to that, Chettinad Cement Corporation Private Limited no longer exercises control over Grand Lanka Exim (Private) Limited.

(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. M A M R Muthiah, Managing Director of the Ultimate Holding Company
 Mr N. Venkat Raju, Managing Director of the Reporting Company and Managing Director of the Holding Company
 Mr M L Kumavat, Non-Executive Director of the Reporting Company and CFO of the Holding Company (upto May 11, 2022)
 Mr M S K Chaitanya, Chief Financial Officer of the Reporting Entity
 Ms Jyothi Agarwal Singhal, Company Secretary of the Reporting Entity (from July 7, 2022)
 Ms Pooja Shah, Company Secretary of the Reporting Entity (upto January 21, 2022)

(e) Key management personnel compensation

Chief Financial Officer

Particulars	FY 2022-23	FY 2021-22
Short term employee benefits	39.87	37.33
Post-employment benefits*	2.41	2.22
Total Compensation	42.28	39.55

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

Company Secretary

Particulars	FY 2022-23^	FY 2021-22^^
Short term employee benefits	5.70	6.01
Post-employment benefits*	0.38	0.40
Total Compensation	6.09	6.40

^ Ms Jyothi Agarwal Singhal from July 7, 2022

^^ Ms Pooja Shah upto January 21, 2022

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

(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, 2023			As at March 31, 2022			
	Ultimate Holding Company	Holding Company	Total	Ultimate Holding Company (w.e.f June 8, 2021)	Holding Company (w.e.f June 8, 2021)	Holding Company (upto June 7, 2021)	Total
Name of the Entity	Chettinad Cement Corporation Private Limited	Anjani Portland Cement Limited		Chettinad Cement Corporation Private Limited	Anjani Portland Cement Limited	Bhavya Constructions Pvt. Limited	
Purchase of goods	4.48	8.03	12.51	1,221.07	4.92	-	1,225.99
Sale of goods	-	228.19	228.19	-	2.10	-	2.10
Royalty on usage of brand	-	1.04	1.04	-	-	-	-
Lease rentals Paid	-	0.12	0.12	-	-	18.44	18.44
Lease Rentals Received	-	0.02	0.02	-	-	-	-
Rental Deposit received	-	0.05	0.05	-	-	-	-
Rental Deposit placed	-	0.35	0.35	-	-	-	-
Inter Corporate Deposit received	2,300.00	-	2,300.00	-	-	-	-
Interest on Inter Corporate Deposit	1.84	-	1.84	-	-	-	-
Redemption of NCDs	-	-	-	-	-	8,500.00	8,500.00
Capital Advances returned	-	-	-	-	-	1,200.00	1,200.00
Lease rental deposit returned	-	-	-	-	-	945.00	945.00
Interest Income Accrued on NCDs	-	-	-	-	-	221.70	221.70
Interest Income Accrued on Lease rental deposit	-	-	-	-	-	8.80	8.80
Interest Income received on NCDs	-	-	-	-	-	541.21	541.21
Interest Income received on Lease rental deposit	-	-	-	-	-	42.20	42.20

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

Particulars	As at March 31, 2023	As at March 31, 2022
Ultimate Holding Company		
Chettinad Cement Corporation Private Limited		
Receivable against sale of goods	-	-
Payable against purchase of goods	5.16	0.14
Inter Corporate Deposit payable	2,300.00	-
Interest payable on Inter Corporate Deposit	-	-
Holding Company		
Anjani Portland Cement Limited		
Receivable against sale of goods / rendering of services	28.53	-
Payable against purchase of goods/ receipt of services	1.11	2.81
Rental Deposit received	0.05	-
Rental Deposit placed	0.35	-

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

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35 Capital management**(a) Risk management**

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	As at
	March 31, 2023	March 31, 2022
Total debt	6,002.33	6,179.70
Total equity	13,723.35	16,291.06
Debt to equity ratio	0.44	0.38

(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 borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

(b) Dividends

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Equity shares		
No dividend has been proposed for the year ended March 31, 2023	-	-
No dividend has been proposed for the year ended March 31, 2022	-	-
(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, 20223	-	-

36 Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	2,125.53	-	-	3,753.72
Cash and cash equivalents	-	-	-	-	-	348.89
Bank Balances other than cash and cash equivalents	-	-	-	-	-	87.24
Other financial assets	-	-	1,666.62	-	-	1,548.86
Total financial assets	-	-	3,792.15	-	-	5,738.71
Financial liabilities						
Borrowings	-	-	6,002.33	-	-	6,179.70
Lease Liability	-	-	1.47	-	-	201.09
Trade payables	-	-	3,069.42	-	-	2,378.48
Others	-	-	795.62	-	-	905.26
Total financial liabilities	-	-	9,868.84	-	-	9,664.53

(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, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	5	-	-	0.78	0.78
Interest receivable	5	-	-	33.21	33.21
Power & Sales tax incentive receivable	5	-	-	1,623.13	1,623.13
Others	5	-	-	9.51	9.51
Trade receivables	8	-	-	2,125.53	2,125.53
Cash and cash equivalents	9	-	-	-	-
Bank Balances other than cash and cash equivalents	10	-	-	-	-
Total financial assets		-	-	3,792.15	3,792.15
Financial Liabilities					
Borrowings	15&18	-	-	6,002.33	6,002.33
Lease Liabilities	44	-	-	1.47	1.47
Trade payables	19	-	-	3,069.42	3,069.42
Others	20	-	-	795.62	795.62
Total financial liabilities		-	-	9,868.84	9,868.84

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					
Security deposits	5	-	-	1,519.12	1,519.12
Interest receivable	5	-	-	29.74	29.74
Power & Sales tax incentive receivable	5	-	-	-	-
Others	5	-	-	-	-
Trade receivables	8	-	-	3,753.72	3,753.72
Cash and cash equivalents	9	-	-	348.89	348.89
Bank Balances other than cash and cash equivalents	10	-	-	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	44	-	-	201.09	201.09
Trade payables	19	-	-	2,378.48	2,378.48
Others	20	-	-	905.26	905.26
Total financial liabilities		-	-	9,664.53	9,664.53

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

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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.

(ii) Valuation processes**Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivables	2,125.53	2,125.53	3,753.72	3,753.72
Cash and cash equivalents	-	-	348.89	348.89
Bank Balances other than cash and cash equivalents	-	-	87.24	87.24
Other Financial Assets	1,666.62	1,666.62	1,548.86	1,548.86
Total financial assets	3,792.15	3,792.15	5,738.71	5,738.71
Financial Liabilities				
Borrowings	6,002.33	6,002.33	6,179.70	6,179.70
Lease Liability	1.47	1.47	201.09	201.09
Trade payables	3,069.42	3,069.42	2,378.48	2,378.48
Others	795.62	795.62	905.26	905.26
Total financial liabilities	9,868.84	9,868.84	9,664.53	9,664.53

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.

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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.

(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.

(j) Credit risk management

Credit risk is managed on a holistic 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 forward-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.

(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	
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		

			संशोधित अपेक्षा credit losses (simplified approach)
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	
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	Life-time expected credit losses
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

Year ended 31 March 2023:

(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	VL 1	-	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	1,026.73	756.96	289.31	280.09	2,353.09
a) Expected loss rate	0.50%	5.00%	10.00%	50.00%	-
b) Expected credit losses (Loss allowance provision)	5.13	37.85	28.93	140.05	211.96
c) Provision carried in books #	20.74	29.55	28.38	38.73	117.40
Higher of (b) or (c)	20.74	37.85	28.93	140.05	227.56
Carrying amount of trade receivables (net of impairment)	1,005.99	719.11	260.38	140.05	2,125.53

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	VL 1	-	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	429.01	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	399.46	255.39	22.66	3,753.72

(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 31st March, 2021	69.87
Changes in loss allowance	47.53
Loss allowance on 31st March, 2022	117.40
Changes in loss allowance	110.16
Loss allowance on 31st March, 2023	227.56

(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, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (bank overdraft)	600	1,800
- 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.

(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 2023							
Non-derivatives							
Borrowings	3,000.00	-	702.33	-	-	2,300.00	6,002.33

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Notes to the financials statements for the year ended March 31, 2023

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

Lease Liability	0.12	0.12	0.25	0.54	0.43	-	1.47
Trade payables	1,186.64	1,857.45	11.99	0.54	12.80	-	3,069.42
Other financial liabilities	95.68	2.48	697.46	-	-	-	795.62
Total non-derivative liabilities	4,282.44	1,860.05	1,412.03	1.08	13.23	2,300.00	9,868.84
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	2,352.19	2.34	0.91	0.95	22.09	-	2,378.48
Other financial liabilities	122.97	2.48	779.82	-	-	-	905.26
Total non-derivative liabilities	2,857.09	386.88	3,226.34	1,537.54	1,656.69	-	9,664.53

(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.

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Notes to the financials statements for the year ended March 31, 2023

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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, 2023		As at March 31, 2022	
Variable rate borrowings		3,702.33		1,679.70
Fixed rate borrowings		2,300.00		4,500.00
Total		6,002.33		6,179.70

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, 2023	As at March 31, 2022
Interest rates – increase by 70 basis points *	25.92	11.76
Interest rates – decrease by 70 basis points*	(25.92)	(11.76)

* Holding all other variables constant

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Notes to the financials statements for the year ended March 31, 2023

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

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, 29.33% of revenue is coming from top 15 customers in cement segment.

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Notes to the financials statements for the year ended March 31, 2023

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

39 Provisions

Employee benefit obligations

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	9.55	42.92	52.47	0.98	70.34	71.32
Gratuity	12.95	0.00	12.95	3.86	27.96	31.81
Total employee benefit obligations	22.50	42.92	65.42	4.84	98.30	103.13

(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, 2023	As at March 31, 2022
Current compensated absences expected to be settled within the next 12 months	9.55	0.98

(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 Rs 80.35 Lakhs (March 31, 2022 - Rs 79.91 Lakhs).

Gratuity

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
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	(49.67)
Employer contributions	-	-	-
Benefit payments	(26.85)	26.85	-
March 31, 2022	225.53	(193.71)	31.81
April 1, 2022	225.53	(193.71)	31.81
Current service cost	28.73	-	28.73
Interest expense/(income)	14.85	(13.12)	1.74
Total amount recognised in profit or loss	43.58	(13.12)	30.47
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	(35.01)	-	(35.01)
(Gain)/loss from change in financial assumptions	(7.08)	-	(7.08)
Expected (gains)/losses	-	-	-
Expenses	-	1.94	1.94
Total amount recognised in other comprehensive income	(42.09)	1.94	(40.14)
Employer contributions	-	(9.19)	(9.19)
Benefit payments	(24.13)	24.13	-
March 31, 2023	202.90	(189.94)	12.95

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

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	202.90	225.53
Fair value of plan assets	(189.94)	(193.71)
Deficit of funded plan	12.95	31.81

* Excess contribution to Gratuity fund, if any has been shown in prepaid

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.45%	7.13%
Salary growth rate	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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	1%	1%	-9%	-9%	10%	10%
Salary growth rate	1%	1%	8%	15%	-8%	-12%

(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	March 31, 2023 (Unquoted)	March 31, 2022 (Unquoted)
Investment funds (Investments in LIC)	189.94	193.71
Total	189.94	193.71

The expected contribution to post employment benefit plan of gratuity during the next year (i.e. year ended 31st March, 2024) is Rs 12.95 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.

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.

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Notes to the financials statements for the year ended March 31, 2023

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40 Contingent liabilities and contingent assets

(a) Contingent liabilities	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts		
Income tax related	34.92	32.53
Entry Tax (net of pre-deposit tax paid under protest)*	25.23	32.02
Total	60.15	64.55

*Note: Entry Tax- No penalty levied

(b) Contingent assets

The Company does not have any contingent assets as at March 31, 2023 and March 31, 2022

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, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	501.72	49.80
Total	501.72	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, 2023	As at March 31, 2022
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
Principal amount due to micro and small enterprises (incl Capital creditors - Nil, March 31, 2022 - Rs Nil)	-	-
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.	-	-

(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, 2023	As at March 31, 2022
a) Gross amount required to be spent by the Company during the year	69.60	46.84
b) Amount of expenditure incurred on :		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	85.49	47.97
c) Excess considered for carry forward to subsequent year [^]	15.89	-
d) Amount considered during the year	69.60	47.97
e) Total previous shortfall	NA	NA
f) Reason for shortfall	NA	NA
g) 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) , Rural Development (x)
h) Details of related party transactions in relation to CSR expenditure	NA	NA

[^] Amount Excess spent will be utilized for set-off against CSR Obligation of FY 2023-24 and has been disclosed as Current Asset in Note 12

43 Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from contract with customer as per contract price	25,043.47	43,974.88
Less: Discounts and Incentives	957.99	3,418.86
Less: Sales Returns / Credits / Reversals	-	-
Revenue from contract with customer as per statement of profit and loss	24,085.47	40,556.02

The amounts receivable from customers become due after expiry of credit period which on an average is 30 to 45 days. There is no significant financing component in any transaction with the customers.

The Company does not provide performance warranty for products, therefore there is no liability towards performance.

The Company does not have any material performance obligations which are outstanding as at the year end as the contracts entered for sale of goods are for short term in nature.

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

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44 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, 2023	As at March 31, 2022
Opening Balance	195.66	1,613.85
Additions	1.55	205.11
Deletions	(176.56)	(1,659.05)
(Amortization) / Reversal of Amortization	(19.19)	35.75
Closing Balance	1.46	195.66

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

44 Lease Liability

The following is the break-up of current and non-current lease liabilities as at March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease Liability	0.50	28.34
Non Current Lease Liability	0.97	172.75
Total	1.47	201.09

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Notes to the financials statements for the year ended March 31, 2023

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45 Assets pledged as security

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

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Financial assets		
<i>Exclusive Charge*</i>		
Trade receivables	2,125.53	3,753.72
Non-financial assets		
<i>Exclusive Charge*</i>		
Inventories	2,985.53	2,108.81
Total current assets pledged as security	5,111.06	5,862.53
Non-Current		
<i>Exclusive Charge*</i>		
Property, Plant & Equipment (excluding Vehicles under exclusive charge)	5,850.00	5,850.00
Total non-current assets pledged as security	5,850.00	5,850.00
Total assets pledged as security	10,961.06	11,712.53

*** Exclusive Charge**

The Working capital term loan availed from HDFC Bank is secured by an exclusive charge on the Plant & Machinery of the company, to the extent of 1.3 times of the loan amount of Rs 4,500 Lakhs, which translates to Rs 5,850 Lakhs for the Working capital term loan extended. (refer note 15a. for full details).

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).

46. Analytical Ratios

S. No	Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Variance - 31st March, 2023 Vs 31st March, 2022	Reasons for Variance
1	Current ratio (in times)	Total current assets	Total current liabilities	0.88	1.00	-13%	
2	Debt-equity ratio (in times)	Borrowings	Total equity	0.44	0.38	13%	
3	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	0.00	2.50	-108223%	Decrease in Debt service coverage ratio is due to loss incurred during the year on account of lower sales volumes and higher power & fuel costs
4	Return on equity (in %)	Net profit after tax less preference dividend (if any)	Average total equity	(0.17)	0.16	191%	Fall in ROE is due to loss incurred during the year on account of lower sales volumes and higher power & fuel costs
5	Inventory turnover ratio (in times)	Cost of goods sold/sales	Average inventory	9.49	22.38	-136%	Fall in Inventory turnover ratio is due to lower sales volumes
6	Trade receivables turnover ratio (in times)	Net credit sales	Average trade receivables	8.22	13.01	-58%	Fall in Trade receivables turnover is due to lower sales volumes
7	Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	8.59	10.87	-27%	Fall in Trade payables turnover ratio is due to lower sales volumes
8	Net capital turnover ratio	Net sales	Average Working capital (Current assets-current liabilities)	(47.31)	(20.81)	56%	Fall in Net Capital turnover ratio is due to lower sales volumes
9	Net profit ratio (in %)	Net profit after tax	Net sales	-11%	7%	163%	Decrease in Net Profit ratio due to lower sales volumes and increase in power & fuel costs
10	Return on capital employed (in %)	Earnings before interest and taxes	Capital employed= Networth + Total debt + Deferred tax liability	-10%	20%	313%	Fall in ROCE is due to loss incurred during the year on account of lower sales volumes and higher power & fuel costs
11	Return on Investment (in %)	Income generated from invested funds	Average invested funds	NA	14%		During the current year, there are no invested funds During the previous year, FY 2021-22, the company has earned Income from NCDs, which were carrying a coupon rate of 14% p.a. upto June 7, 2021. The NCDs have been redeemed on June 7, 2021.

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Notes to the financials statements for the year ended March 31, 2023

(All amounts are in Lakhs Indian Rupees 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 nor disclosure as provided under Ind AS 10.

48 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.

49 The financial statements are approved for issue by the Company's Board of Directors on May 16, 2023

50 Previous period figures have been regrouped/rearranged wherever necessary to conform with the current period classification.

As per our report of even date

For and on behalf of the Board

For Ramanatham & Rao

Chartered Accountants

ICAI firm registration number: S-2934

N. Venkat Raju

Managing Director

DIN: 08672963

V Valliammai

Director

DIN: 01197421

S. Sandeep

Director

DIN: 09207372

C. Kameshwar Rao

Partner

Membership No.: 024363

P Ramkumar

Director

DIN: 09207219

M Satyanarayana Murthy

Director

DIN: 01612799

M.S.K Chaitanya

Chief Financial Officer

PAN: BEUPM7389K

Jyoti Agarwal Singhal

Company Secretary

M No. A56780

Place: Hyderabad

Date: May 16, 2023

Place: Chennai

Date: May 16, 2023