Snowcem PAINTS

HATHI® CEMENT

64th ANNUAL REPORT

2021-22

Saurashtra Cement Limited

CONTENTS

GENERAL INFORMATION

BOARD OF DIRECTORS

Mr. M. N. Mehta
Chairman

Mr. Jay M. Mehta
Executive Vice Chairman

Mr. Hemang D. Mehta
Non-Executive Director

Mr. Hemnabh Khatau
Non-Executive Director

Mr. M. N. Rao
Non-Executive
Independent Director

Mr. B. P. Deshmukh
Non-Executive
Independent Director

Mr. K. N. Bhandari
Non-Executive
Independent Director

Mr. Bimal Thakkar
Non-Executive
Independent Director

Mrs. Bhagyam Ramani
Non-Executive
Independent Director

Mr. Ashwani Kumar
Non-Executive
Independent Director

Mr. M. S. Gilotra
Managing Director

Chief Financial Officer
Mr. Rakesh H. Mehta

President (CS, Legal & Strategy)
Ms. Sonali Sanas

Auditors
M/s. Manubhai & Shah LLP Chartered Accountants

Registered Office & Works
Near Railway Station, Ranavav 360 560 (Gujarat)
Tel. 02801 - 234200
Fax: 02801 - 234376
CIN: L26941GJ1956PLC000840

Paint Division - Works
(A) Plot No. E-6, M.I.D.C. Malegaon, Sinnar, Nashik 422103, Maharashtra.
(B) Plot No. F-3/4/8/18/19/20, Industrial Area, Near JK Cement Factory, Gotan 342902, Nagaur, Rajasthan.
(C) B/60-61, SIPCOT Industrial Estate, Gummidipoondi , Tiruvallur Chennai 601201, Tamil Nadu.

Registrars & Transfer Agent
M/s. Link Intime India Pvt Ltd
(Unit: Saurashtra Cement Limited)
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel. 022- 49186000,
Fax : 022-49186060

Corporate Office
N. K. Mehta International House, 2nd Floor,
178, Backbay Reclamation, Mumbai 400 020.
Tel. 022- 66365444, Fax : 022-66365445

Website
http://scl.mehtagroup.com
www.snowcempaints.com

Bankers
HDFC Bank Ltd.

BOARD'S REPORT

Dear Members

Your Directors are pleased to present the 64th Annual Report on the performance of the Company together with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31st March 2022.

The year that was witnessed by several challenges like the second and third waves of Covid-19, energy crisis caused by disruption / reshuffle of supplies of oil, coal, natural gas resulting in very high volatility in the energy prices. On the other hand, the silver lining was infrastructure push by the Central and State governments, improvement in the rural and urban housing demand lifting of travel and other restrictions imposed during Covid. The performance of the Company needs to be evaluated considering these extraneous circumstances.

FINANCIAL PERFORMANCE

The summarized financial performance for the Financial Year ended March 31, 2022 are as under:

(₹ in million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	**2021-22**	2020-21
Revenue from Operation (Net of GST) and Other Income	**7726.65**	6860.13	**7728.56**	6860.16
Profit before Interest, Depreciation, Exceptional items and Tax	**350.16**	1269.68	**352.79**	1268.78
Finance Cost	**49.30**	43.74	**49.30**	43.74
Profit before Depreciation, Exceptional Items and Tax	**300.86**	1225.94	**303.49**	1225.04
Depreciation & Amortisation	**227.23**	200.36	**227.23**	200.36
Exceptional Items	**(14.17)**	-	**-**	-
Profit/(Loss) before Tax	**59.46**	1025.58	**76.26**	1024.68
Current Tax Expense	**10.72**	289.98	**10.96**	289.98
Deferred Tax Adjustment	**25.63**	11.79	**25.63**	11.79
Profit for the year	**23.11**	723.81	**39.67**	722.91
Total Other Comprehensive Income (net of tax)	**16.38**	38.74	**16.38**	38.74
Total Comprehensive Income	**39.49**	762.55	**56.05**	761.65
Retained Earnings – Opening Balance	**2737.29**	2070.92	**2724.25**	2058.78
Add/(Less)				
Profit for the Year	**23.11**	723.81	**39.67**	722.91
Re-measurement of Defined Benefit Plans (Net of Tax)	**1.06**	(1.96)	**1.06**	(1.96)
Vested Employee Stock Options Lapsed	**-**	0.80	**-**	0.80
Less : Equity Dividend & Dividend Distribution Tax thereon	**52.53**	56.28	**52.53**	56.28
Retained Earnings – Closing Balance	**2708.93**	2737.29	**2712.45**	2724.25

PERFORMANCE REVIEW AND THE STATE OF COMPANY'S AFFAIRS:

CEMENT DIVISION

The clinker and cement production for the financial year were higher than the previous financial year. However, the sales in the second half of the financial year were affected due to demand shrinkage on account of an extended monsoon and challenges posed by the steep increase in the commodity prices particularly oil, coal / pet coke, steel and availability constraints in respect of other building materials like sand and aggregates.

While there was a runaway increase in the power, fuel and diesel prices, the improvement in the cement prices was gradual and inadequate to cover the increase in costs because of fragmented of market, which resulted in a substantial drop in the profitability of the Company.

The operational performance details during the year under review are given below:

		Financial Year : 1st April to 31st March		
	Units	**2021-22**	2020-21	**Increase / (Decrease)**
Clinker Production	**Million MT**	**1.23**	1.22	1.6%
Cement Production	**Million MT**	**1.41**	1.39	1.4%
Cement & Clinker Despatches	**Million MT**	**14.19**	14.69	-3.4%
Sales Volume	**Million MT**	**14.18**	14.71	-3.6%
Total Income	**₹ in Million**	**7726.65**	6860.13	12.63%

PAINT DIVISION

During the financial year, your Company acquired the paints business of Snowcem Paints Pvt. Ltd., including the brands owned by them on a slump sale basis. The acquisition was in line with the Company's growth plans of diversifying in the buildings material space. Snowcem is a reputed Pan-India brand with a good recall value especially for the cement based exterior paints and the Company will get a foothold in the paints business with this acquisition.

The sales for the financial year were impacted for the major part of the year due to precautionary approach of the customers in following Covid protocols. Your Company is making efforts in reviving the business by refurbishing the production units, revitalizing the distribution channels and providing adequate working capital.

DIGITAL TRANSFORMATION

Technological advances in the past few years have greatly increased the competitive nature of the business. Your Company, too, has embarked on a digital transformation journey under "Project Parivartan". This project aims to increase the pace of digitalization and the pace at which new business processes are introduced and existing processes are updated with the use of newer technologies. Ernst and Young (E&Y) are the implementation partners for the project. The project started with a Business Process Re-engineering exercise (BPR) with adoption of best practices and process harmonization and was followed by implementation of best in breed solutions like S4 Hana, SalesForce, Ariba, Success Factors, Autoplant, Optimizer, DigiGST, Happay etc. Some of the above digital solutions have gone live on 2nd April 2022 and the balance will be completed in FY 2022-23.

The digital transformation is expected to result in optimizing costs, better customer empowerment and relationships, better decision making, improvement in employee productivity, distribution and warehousing strategies etc.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on the Management Discussion and Analysis as required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations), 2015 is enclosed as **Annexure A**.

CORPORATE GOVERNANCE

Report on Corporate Governance along with Auditor's Certificate on its compliance pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed separately to this report. A declaration by the Managing Director that Board and Senior Executives have complied with the Code of Conduct of the Company is enclosed as **Annexure B**.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS

No material change(s) and commitment(s) have occurred between the end of the Financial Year and the date of this Report, which has affected the Financial Statements of the Company with respect to the reporting year.

DIVIDEND

The Board of Directors of your Company, after considering holistically the relevant circumstances, decided that it would be prudent, not recommending any dividend for the Financial Year 2021-22.

FINANCIAL STATEMENTS

The Audited Standalone and Consolidated Financial Statements of the Company which form a part of this Annual Report have been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with the provisions of the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015 on Consolidated Financial Statements.

The Consolidated Net Profit/Loss of the Company is ₹ 39.67 million for the Financial Year ended 31st of March 2022.

SHARE CAPITAL

The paid up Equity Share Capital of the Company excluding the forfeited shares as on 31st March 2021 was ₹ 698.99 million.

During the year under review and in accordance with the Hon'ble NCLT approved scheme for amalgamation of Parsec Enterprises Private Limited with the Company; 1,35,38,370 New Equity Shares of face value of ₹10/- each of the Company was allotted to the shareholders of Parsec Enterprises Private Limited and listed at BSE Limited. Further, the said number of equity shares held by Parsec Enterprises Private Limited in the Company got cancelled.

During the year, 4,95,413 Equity Shares of ₹10/- each were allotted to the employees in accordance with Saurashtra Employee Stock Option Scheme 2017 and listed at BSE Limited.

The paid up Equity Share Capital of the Company as on 31st March 2022 excluding the forfeited shares was ₹ 703.14 million.

EMPLOYEE STOCK OPTION SCHEME

The disclosure pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is enclosed as **Annexure C** to this Report. Auditor's certificate on Saurashtra Employee Stock Option Plan in compliance with Regulations 13 of Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 is enclosed as **Annexure D**.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

Keeping in view the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Stock Exchanges; a Secretarial Audit by the Practicing Company Secretary is carried out on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid - up capital / any change in the capital during the quarter tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

DEPOSITS

During the year under review, your Company has not accepted/received any deposits falling within the ambit of Section 73 of the Companies Act, 2013 and not under the exceptions provided under Rule 2 of the Companies (Acceptance of Deposits) Rules, 2014.

RELATED PARTY TRANSACTIONS

All transactions entered into with the related parties are approved by the shareholders periodically and in accordance with the requirements of Section 188 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there is an omnibus approval taken from the Board of Directors and the Audit Committee on an annual basis and further as and when required. The other details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134 (3) of the Companies Act, 2013 are mentioned in the Corporate Governance Report.

The particulars of every contract or 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 is enclosed as **Annexure E** in Form No. AOC-2.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in Notes to the Standalone Financial Statements.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

None.

INTERNAL CONTROL SYSTEMS AND INTERNAL AUDIT

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Your Company has adequate internal financial control mechanism in place. The management monitors and evaluates operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditors, the Audit Committee / Board initiates corrective action in respective areas and thereby strengthens the controls.

Your Company adheres to the policies and procedures for ensuring the orderly and efficient conduct of its business, including safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

INSURANCE

All the properties including buildings, plant, machinery and stocks have been adequately insured.

SUBSIDIARIES AND ASSOCIATE COMPANIES

Your Company has one subsidiary Company; viz. Agrima Consultants International Limited. Section 136 of the Companies Act, 2013 has exempted the listed companies from attaching the financial statements of their Subsidiary Company to the Annual Report of the Company. In accordance with the proviso to sub-section (1) of Section 136; a copy of the audited annual accounts of Agrima Consultants International Limited is provided at the following link: http://scl.mehtagroup.com/subsidiary-companies/agrima-consultants-international-ltd-finance-reports

In accordance with Section 129(3) of the Companies Act, 2013 read with the rules made there under; a statement containing the salient features of the Financial Statements of the Company's Subsidiary is disclosed separately in this Annual Report under Form AOC 1.

Your Company will make available the Annual Accounts of the subsidiary Company to any Member on their request and the same shall also be kept open for inspection by any Member at the registered office of the Company. The statement is also available on the website of the Company at http://scl.mehtagroup.com/investors/financials.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Directors

Nil

Reappointment of Directors

During the year under review, Mr. Hemnabh R Khatau was reappointed as Director of the Company at the 63rd Annual General Meeting held on 21st September 2021 who was retiring by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Hemang D. Mehta (DIN: 00146580), shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief resume of the Director seeking re-appointment along with other details as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed as **Annexure F**.

The Board recommends the re-appointment.

Cessation of Director

Mr. Jayant Narayan Godbole (DIN: 00056830), an Independent Director expired on 4th January 2022. Accordingly, he ceased to be an Independent Director w.e.f. 4th January 2022.

Appointment / Change in Other Key Managerial Personnel

During the year under review, there is no appointment / change in Key Managerial Personnel.

INDEPENDENT DIRECTORS' DECLARATION

Your Company has received declarations from each of the Independent Directors that they meet the criteria of the independence prescribed under Section 149 read with Schedule IV of the Companies Act, 2013 and rules made there-under, as well as Regulation 25 & 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the declarations received, the Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfill/ meet the criteria of independence and are independent from the management.

DISCLOSURE PERTAINING TO DISQUALIFICATION OF DIRECTORS

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; a certificate has been received from M/s Ragini Chokshi & Co. Practicing Company Secretaries, that none of the Directors on the Board of the Company have been disqualified to act as Director which is enclosed as **Annexure G**.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has put in place a mechanism for evaluation of its performance, Committees, Independent Directors and Whole-time Directors The evaluation process considers attendance of Directors at the Board and Committee meetings, participation at the meetings, domain knowledge in the Board Meeting, awareness and observation of Governance etc. Accordingly, evaluation sheet gets circulated to the Board and the Board carries out annual performance evaluation. The responses being received are evaluated by the Board.

MEETINGS OF THE BOARD AND COMMITTEES

During the year under review, five Board Meetings were held. These meetings were held on the 29th day of May 2021, 11th day of August 2021, 28th day of October 2021, 26th day of November 2021 and 5th day of February 2022. The details of the number of meetings of the Board and various Committees of your Company are set out in the Corporate Governance Report, which forms part of this report.

SECRETARIAL STANDARDS

Your Company has in place proper system to ensure compliance with the provisions of the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by The Institute of Company Secretaries of India.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY

Your Company has constituted Nomination and Remuneration Committee to oversee, inter-alia, to:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
3. Identify persons who are qualified to become directors and persons who can be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
4. Formulate of criteria for evaluation of Independent directors and the Board and whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance of evaluation of independent directors; and
5. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Your Company has also adopted Nomination and Remuneration Charter and Remuneration/Compensation Policy. The constitution of the Committee along with the terms of reference to the Committee is set out in the Corporate Governance Report. The Nomination and Remuneration Charter and Compensation Policy is available at the following links: http://scl.mehtagroup.com/policy/nomination-and-remuneration-charter and http://scl.mehtagroup.com/policy/compensation-policy

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is enclosed as **Annexure H**. There were 356 permanent employees of the Company as on 31st day of March 2022.

A statement showing names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and 5(3) and other details as required of the aforesaid Rules, forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by Members at the Registered Office of the Company, during business hours on working days upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, whereupon a copy would be sent. Further, the details are also available on the Company's website: http://scl.mehtagroup.com/investors.

AUDITORS:

STATUTORY AUDITORS AND THEIR REPORT

M/s. Manubhai & Shah LLP, Chartered Accountants, (Firm Registration No. 106041W / W100136) were appointed as Statutory Auditors of the Company, at the 60th Annual General Meeting held on 14th August 2018 to hold office from the conclusion of the said Meeting till the conclusion of 64th Annual General Meeting of the Company to be held in 2022, subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter.

The requirement of seeking ratification by the Members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from 7th May 2018. Hence the resolution seeking ratification of the Members for their appointment is not being placed at the ensuing Annual General Meeting.

The Auditor's Report issued by M/s. Manubhai & Shah LLP, Chartered Accountants on the financial statements of the Company for FY 2021-22 to the Shareholders forms part of the Annual Report and does not contain any qualification.

The term of M/s.Manubhai & Shah LLP, Chartered Accountants as Statutory Auditors gets over at the ensuing Annual General Meeting. The Board of Directors at its meeting held on 23rd May 2022 have approved and recommended reappointment of M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Registration no. 106041W/W100136) as Statutory Auditors of the Company to audit the accounts of the Company upto the Financial Year 2026-27.

Accordingly, in accordance with the provisions of Section 139 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017; it is proposed to reappoint M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Registration no. 106041W/W100136) as Statutory Auditors of the Company to audit the accounts of the Company upto the Financial Year 2026-27 who shall hold till the conclusion of 68th Annual General Meeting at such remuneration as may be decided by the Board in consultation with the auditors from time to time. As required under the provisions of the Companies Act, 2013, the Company has received written confirmation from M/s. Manubhai & Shah LLP, Chartered Accountants that their appointment, if made, will be in conformity with the limits specified in the Section 143(1)(g) of the Companies Act, 2013.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Section 204 of the Companies Act, 2013, inter-alia requires every listed Company to undertake a Secretarial Audit and shall annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form.

In line with the requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Ragini Chokshi & Co, Practicing Company Secretaries were appointed by the Board of Directors as the Secretarial Auditors of the Company to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2021-22. The report of the Secretarial Auditor in MR-3 is enclosed as **Annexure I**. The report does not contain any qualification, reservation nor adverse remarks. Your Company is in compliance with the Secretarial Standards, specified by the Institute of Company Secretaries of India ('ICSI').

The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s Ragini Chokshi & Co., Practicing Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2022-23.

COST AUDITORS AND COST AUDIT REPORT

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has made and maintained the cost accounts and records for the year 2021-22. The Board of Directors on the recommendation of the Audit Committee appointed M/s. V. J. Talati & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2021-22. The Cost Audit Report for the financial year ended 31st March, 2021 was filed with the Central Government on 9th September 2021 vide SRN No. T41880584.

Further, the Board of Directors, on the recommendation of Audit Committee, has appointed M/s V. J.Talati & Co. as the Cost Auditors of the Company for the financial year 2022-23 and fixed their remuneration, subject to ratification by the shareholders at the ensuing AGM of the Company. M/s V. J.Talati & Co, have confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013, and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013. The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Members approval for ratification of remuneration payable to the Cost Auditor for FY 2022-23, is included in the notice convening the 64th Annual General Meeting.

COST RECORDS

The Cost accounts and records as required to be maintained under Section 148(1) of Act are duly made and maintained by the Company.

TAX AUDITORS

The Board of Directors, on the recommendation of the Audit Committee reappointed M/s Manubhai & Shah LLP, Chartered Accountants to carry out the Tax Audit for the Assessment Year 2022-23.

INTERNAL AUDITORS

During the year under review, M/s. Haribhakti & Co LLP, Chartered Accountants has acted as Internal Auditors of the Company. Audit observations of Internal Auditors and corrective actions thereto are periodically presented to the

Audit Committee of the Board. The Board of Directors on the recommendation of the Audit Committee reappointed M/s Haribhakti & Co., LLP, Chartered Accountants, to carry out the Internal Audit of the Company for the Financial Year 2022-23 for the cement division and as Internal Auditor for the first quarter of 2022-23 for the paint division till the Company has in-house audit team.

REPORTING OF FRAUDS BY AUDITORS

During the year, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Director's Report.

OTHER DISCLOSURES UNDER COMPANIES ACT, 2013 AND SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

AUDIT COMMITTEE

Your Company has an Audit Committee and details of its constitution, terms of reference are set out in the Corporate Governance Report.

RISK MANAGEMENT

Your Company has in place a robust risk management framework which identifies and evaluates business risks and opportunities. Your Company recognizes that these risks need to be managed and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating Company's various business and operational risks, through strategic actions. Risk management is embedded in critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risk and future action plans.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has been serving the society towards improving the quality of life of the communities at large well before the provisions were embedded under Section 135 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations), 2015.

Your Company's CSR vision clearly states to strengthen community relationship and to bring sustainable change in the quality of life of people of nearby villages of the factory through innovative solutions in Education, Health, Water & Sanitation, Skills Development, Livelihood Promotion and Rural Development. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.

Corporate Social Responsibility (CSR) is the continuing commitment by the Company to behave ethically and contribute to economic development, while improving the quality of life of the work force, their families as well as of the local community and society at large.

Your Company has undertaken various CSR activities during the year under review and few to highlight are as under:-

- Promoting education and knowledge enhancement by running a school through Trust. Your Company continues to contribute to the Trust for the development of school and improvement of its infrastructure keeping in mind the safety of the students.
- Waste plastic pick up project in five villages at Ranavav, Adityana, Amardal, Adtipata and Boricha.

The Board of Directors, on the recommendation of the Corporate Social Responsibility Committee, formulated a revised Corporate Social Responsibility Policy for welfare of the society, which is in consonance with Section 135 of the Companies Act, 2013 on CSR and in accordance with CSR rules amended under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs. The policy is available on the website of the Company at the following link: http://scl.mehtagroup.com/policy/csr-policy.

The constitution and functions of the Corporate Social Responsibility Committee is provided under the Corporate Governance Report.

The details of various CSR activities undertaken during Financial Year 2021-22 are discussed in detail in the Management Discussion and Analysis Report.

The annual report on CSR activities and expenditure required under Section 134 & 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Account) Rules, 2014 is enclosed as **Annexure J**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant / material orders passed by the regulators, any court or tribunal impacting the going concern status of the Company and its operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) that in the preparation of the annual financial statements for the year ended 31st March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any;

(b) that the accounting policies as mentioned in Note No.1 (B) to the Financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were laid down and that such internal financial controls were adequate and were operating effectively; and

(f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

OTHER INFORMATION

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 is enclosed as **Annexure K**.

Whistle Blower Policy/Vigil Mechanism

Your Company has established a Vigil Mechanism / Whistle Blower Policy and the Directors and employees of the Company can approach the Audit Committee when they suspect or observe unethical practices, malpractices, non-compliances of Company's policies, etc. The Whistle Blower Policy has been posted on the website Company at the following link: http://scl.mehtagroup.com/policy/whistle-blower-policy

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has in place Internal Complaints Committee for redressal of grievances regarding sexual harassment received by the Committee. All employees are covered under this Policy. During the year under review, Your Company has not received any complaints of sexual harassment. Your Company has complied with all the applicable provisions of the said Act.

Extract of the Annual Return

Pursuant to Section 92(3) and Section 134(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return in Form MGT-9 is available on the website of the Company at the following link: http://scl.mehtagroup.com/investors/share-holder-information/mgt-9

OTHER DISCLOSURES:

1. Secretarial Compliance Report

   Your Company has received Secretarial Compliance Report for the year ended 31st March 2022 from M/s. Ragini Chokshi & Co., Practicing Company Secretaries, pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is annexed hereto as **Annexure L**.

2. No disclosure or reporting is made in respect of the following items as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as there were no transactions during the year under review:
   - Details relating to deposits covered under Chapter V of the Companies Act, 2013.
   - Issue of equity shares with differential rights as to dividend, voting or otherwise.
   - Your Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
   - The Managing Director of the Company does not receive any remuneration or commission from its subsidiary Company.
   - No material fraud has been reported by the Auditors to the Audit Committee or the Board.
   - There was no revision in the financial statements.
   - There was no change in the nature of business.

GENERAL

Transfer of Shares

As notified under Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

Listing of Equity Shares

Your Company's equity shares are listed on the BSE Limited. Your Company has paid the listing fees for the Financial Year 2022-23.

Secretarial Standards

In accordance with SS-1, your Company has complied with all applicable secretarial standards.

Awards

During the year, your Company bagged following awards:

- Five Star Award to Adityana Limestone and Marl Mines by Ministry of Mines for the efforts and initiatives taken for implementation of the Sustainable Development Framework by the Company; and
- Federation of Indian Mineral Industries (FIMI) selected Adityana Limestone and Marl Lime for FIMI Award 2020-21 for Granites Environment Award for the Company's efforts towards environmental protection and Management.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation of the contribution made by the employees at all levels to the continued growth and prosperity of your Company.

The Board of Directors also wish to place on record their appreciation to the shareholders, dealers, distributors, consumers,banks and other financial institutions for their continued support.

For and on behalf of the Board of Directors

Jay Mehta	**M. S. Gilotra**
Executive Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place : Mumbai

Dated : May 23, 2022

Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CEMENT INDUSTRY AND OUTLOOK

India's higher cement demand and production growth rates appear to be decelerating as the effects of a low comparison base began to wane towards the end of the second quarter of FY 2021-22. On the cost-front, headwinds continue to impact producer margins. The second wave, at the onset of fiscal 2022, did not affect cement production as severely as the first wave, as labour and supply chain remained intact.

The cement industry operated at a capacity utilization of about 63 to 65%. However, the clinker capacity utilization was about 75%. The capacity utilization is expected to improve further in the next two years. About 100 to 115 Million Tons of new capacity is being planned which would materialize progressively upto 2027, a large part of which would be in the South, East and Central regions.

As per CRISIL research, cement demand in the country and the western region over the next 5 years is expected to register a CAGR of 5-6% and 3.5%-4.5% respectively. New Covid-19 waves and monsoons will remain the key monitorable and can potentially reflect in demand. The key drivers of growth being Infrastructure development, such as urban infrastructure projects (metros, expressways, NHAI), state roads in Gujarat, Mumbai - Ahmedabad Bullet train, trans-harbor link, and coastal roads, along with a pickup in real estate and urban affordable housing demand would drive demand in the region.

On the cost front, in the Financial Year 2022-23, Coal prices are expected to remain sticky on the back of various reasons and few of the major reasons being: (1) Supply constraints because of the Russia-Ukraine conflict, (2) Weather disruptions in key mining areas in Australia and (3) Indonesian ban on coal exports to meet domestic demand. International and domestic petcoke prices followed suit, up 50-60% on year. The power and fuel costs will continue to increase due to spike in the petcoke, coal and diesel prices which will in turn lead to the higher freight costs.

PAINT INDUSTRY OUTLOOK

The Indian Paints Industry is estimated at about Rs 70,000 crores per annum. The decorative paints sector comprises about 70 per cent of the total paints business and is growing at about 12 per cent CAGR. The growth in the paints industry is driven largely by the growth in housing and commercial construction. Shortening of repainting cycles also contributes significantly to the demand for paints. About 20 to 25 per cent of the paints demand is supplied by unorganized and small / regional players.

The demand for paints follows the housing industry with a lag of about 3-4 months. The consumption is also seasonal with very low sales in the monsoon season and high sales in festival seasons and summer.

As painting requires painters to move around the premises and coming in contact, the demand for paints in FY 2021-22 remained muted due to Covid-19 pandemic as customers deferred the painting to ensure social distancing. Demand for paints was further affected by the extended monsoon and unseasonal rains across the country.

There was a steep increase in the input costs on account of increase in crude, cement and TiO2 prices. Increase in diesel costs led to further increases in the costs. The cement prices which had been stagnant for about two years witnessed a recovery in the last quarter of the financial year, but the increase was inadequate to recover the increase in the costs.

The outlook for paints remains positive with the pick-up in housing demand across all regions. Increasing income levels and rural growth are expected to improve the demand in the repainting sector. Paints industry is expected to witness a health demand in the next two years due to lifting of covid restrictions and gradual release of the pent up demand. The cost increases are expected to be passed on to the customer in a phased manner.

PERFORMANCE ANALYSIS

During the Financial Year ended 31st March 2022, your Company earned a net profit of ₹ 23.11 million as against net profit of ₹ 723.81 million in the previous Financial Year. The profitability for FY 2021-22 was adversely affected by the unprecedented runaway increase in the costs of coal, pet coke and diesel coupled with lower demand in the second half of the financial year due to unseasonal rains and availability of other building materials like sand and aggregates.

Since cement is the core business of the Company, the majority of the revenue and profitability comes from the sale of different types of cement. The Company has acquired the paints business of Snowcem Paints, which is operating as paints division of the Company.

The demand for paints was affected by covid and unseasonal rains.

KEY FINANCIAL RATIOS

The details of significant changes in key financial ratios of the Company for the current Financial Year vis-à-vis the previous Financial Year are given on the following Table:

Ratio	Current FY 2021-22	Previous FY 2020-21	Variance, %	Reason for Variance
Debtors Turnover Ratio	**23.73**	21.26	12%	
Inventory Turnover Ratio	**9.90**	8.60	15%	
Debt Service Coverage Ratio	**4.05**	15.66	-74%	Consequential impact of decrease in profit
Current Ratio	**1.22**	1.71	-29%	Increase in current liabilities, mainly bank borrowings
Debt Equity Ratio	**0.12**	0.04	200%	Increase in debt, mainly current bank borrowings
Operating Profit Margin (%)	**4.60%**	18.85%	-76%	Decrease in profit, mainly due to Higher Cost of Power and Fuel
Net Profit Margin (%)	**0.30%**	10.74%	-97%	Decrease in profit, mainly due to Higher Cost of Power and Fuel

The Return on Net Worth of the Company for the FY 2021-22 was 0.44% as against 14.83% in the Previous Financial Year. The reason for the change is mainly due to the impact of higher cost of Power & Fuel.

RISK AND CONCERNS

Your Company has internal control procedures to evaluate, monitor and review the risks impacting the Company.

The major risks identified by the Board of Directors / committees is as under:-

- Uncertainty in availability of fuel - coal and pet coke.
- High energy costs due to the steep increase in the costs of all commodities.
- Addition of new capacities likely to create supply overhang and put pressure on prices.
- Increase in logistics costs due to steep increase in the diesel costs.
- The Captive limestone mines of the Company is subject to auction as provided under the MMDR Act, 2015. Further, certain portion of the mining lease is near to a wildlife sanctuary but outside the Eco Sensitive Zone.
- Increase in the input cost of paints.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has instituted internal financial control systems which are adequate for the nature of its business and size of operations. The various policies and procedures adopted by your Company ensures conducting of the business efficiently including adherence to your Company's policies, safeguarding business assets from stealing and wastage, ensuring compliance with business policies and the law of the land, performance evaluation of each employee and officer to increase the efficiency in operation and ti mely preparation of true and reliable operating data and financial statements.

The systems have been well documented and communicated. The systems are tested and audited from time to time by the Company's Internal Auditors who periodically audit the adequacy and the effectiveness of the internal control systems and procedures which have been laid down by the management and suggest improvements thereon. Any significant audit observations and follow-up in this regard is reported to the Audit Committee.

The Audit Committee of the Board of Directors approves from time to time - the quarterly audit assignments, reviews the progress of audit findings presented by the Internal Auditors. Also the status of the implementation of audit recommendations and adequacy internal controls is reviewed by the Audit Committee.

The constitution of the Audit Committee and its terms of reference are set out in the Corporate Governance Report as **Annexure B**.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Your Company believes that the employees are at the core of its success as the Company considers them as the most valuable assets. The role of Human Resource has considerably evolved since pandemic and has thrown enormous challenges for the organisation and employees in terms of balancing health, safety and productivity. Taking into consideration the challenges created by the second wave of the pandemic, health of team members, their families and stakeholders became top priority for your Company. Your Company took all the measures to keep environment safe and healthy for employees and rendered all necessary assistance needed.

Your Company has been continuously working to improve human resources skills, competencies, and capabilities to achieve its business objectives and to cater to employees' aspirations. To enhance managerial capabilities, your Company have been providing continual training to internal talent and building a talent pool for future roles. Learning at one's own pace, time and convenience was initiated through cost effective and e-learning system, which received overwhelming response from the employees.

Your Company has moved beyond the current ERP system into a new age digital transformation with SAP integrated system. The overall solution of SAP S4 Hana with simple user experience will give your Company a competitive edge with efficient work systems. The functional teams took the challenges of implementation of SAP on their stride and delivered the results in the first phase, meeting the deadlines.

Your Company continues with the project "Talk to Me", which provides insight into employees; connection with the organization, their expectations and aspirations. Under the said initiative, we have been surveying employees physical, psychological, emotional, as well as training needs and catering to their needs from time to time.

The Industrial relations at the Factory have remained cordial.

The management is pleased to acknowledge the contribution of all employees who have helped your Company in reaching new heights and striving for overall satisfaction of all stakeholders. The employee relations have been harmonious and amicable throughout the year.

As on 31.03.2022 the Company had employed 356 permanent employees.

OCCUPATIONAL HEALTH AND SAFETY

Healthy body and mind together form a great human resource, which is the basic need of every organization. Your Company's health center, which has a full-time medical officer and para medical staff, takes care of the health-related issues of the employees and their family members. The medical center services are further extended to the community people without any charge.

Apart from treatment, the health center also engaged in immunization program, occupational health services, and family welfare education programs amongst others.

A full-fledged ambulance is used for the transportation of patients from within the organization and local community.

Your Company has kept safety on the top priority for all its workers. Your Company have zero tolerance policy in the area. All out efforts are made not only by the safety team but by one and all in the Company to ensure the safety of workmen. The safety team is engaged in the continuous training of workers so that they cling to the policy, procedures, personal protective equipment and take utmost care all the time. Your Company has established processes and controls, and these are reviewed from time to time. Periodical safety audits from internal and external agencies, mock drills, inspections are used as tools to ensure safety.

Your Company has also adopted "Work from Home Policy" for its employees working at Corporate and Marketing offices to minimize the risk and contain the spread of COVID-19. Your Company has taken various measures to ensure safety and well-being of all the employees and is ensuring compliance with the directives issued by the Central, State Government and local administration in this regard.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has been sensitive towards society and environment and ensured there was minimum impact of its operations on them. The various initiatives taken during the year in the areas such as health, education, drinking water, environment, rural development, and these initiatives are aimed at creating long-term value and are implemented for the community members irrespective of their gender, ethnicity, and religious background. Your Company was appreciated by the Government authorities during their visit when they observed the support extended by the Company during vaccination drive. It was organized in a very systematic manner, helping out covering all the senior citizens, employees and their dependents, those fitting in the government guidelines from plant, mines and colony as well as extending services to the nearby communities.

EDUCATION

Your Company has been striving for the cause of education for last many decades. It runs full fledged school for the employees' children and for the children from neighboring areas at a nominal cost and provides bus facility to the children for attending school / college in Porbandar city. Your Company has also initiated extra coaching classes for the poor, promising students from the nearby areas, thereby giving encouragement and guidance for the underprivileged students. Your Company has generously donated to the other educational institutes from time to time.

SANITATION

Your Company has always contributed to the various national programs implemented by the governments and the other NGOs by participating in Swachh Bharat Abhiyan program.

ENVIRONMENT INITIATIVES

The management of your Company is committed to take utmost care for the environment, cleanliness and neighbouring society as a responsible corporate through various activities like, water conservation & rain water harvesting, plantations in & around plant/mines and nearby villages, promotion of education through distribution of school bags, books, etc. cleanliness awareness drive and through various other activities which enhance their living standards and also positive image about the organization amongst regulatory agencies and the nearby people.

As the generation of plastic waste is increasing due to rapid urbanization, spread of retail chains, plastic packaging from grocery to food and vegetable products, to cosmetics and consumer items, your Company has identified five nearby villages (namely Adityana, Aditpara, Amardal, Boricha and Ranavav) to create awareness about the harmful impact of plastic wastes and for the collection of plastic wastes as a part of the celebration of 75th Azadi ka Amrut Mahotsav, under the Swachh Bharat Mission, initiated by the Government of India and Government of Gujarat. Your Company's representatives met the representatives from the villages and schools and created awareness regarding the negative impact of plastic wastes to the neighbouring people and students. Also provided dustbins to villages and to the schools. The collected plastic wastes are co-processed in the cement kiln.

A green belt has also been developed and maintained at the factory and its surrounding areas. Your Company has attained the objective of planting more than one lakh plus trees in the last decade and the survival rate of the saplings planted is more than 80%. Your Company has undertaken various initiatives or implemented various practices and technologies that improve environmental performance and make contributions to society.

AWARDS AND RECOGNITION

During the year, your Company bagged two awards (i) Five Star Award to Adityana Limestone and Marl Mines by Ministry of Mines for the efforts and initiatives taken for implementation of the Sustainable Development Framework by the Company; and (ii) Federation of Indian Mineral Industries (FIMI) selected Adityana Limestone and Marl Lime for FIMI Award 2020-21 for Granites Environment Award for the Company's efforts towards environmental protection and Management.

CAUTIONARY STATEMENT

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking statements within the meaning of applicable security laws and regulations. The Statements are based on certain assumptions and expectations of future events. Actual results could however differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply position, raw material, fuel, transport cost and availability, changes in Government regulations and tax structure, economic development in India. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future based on subsequent developments, information or events.

For and on behalf of the Board of Directors

Jay Mehta
Executive Vice Chairman
(DIN: 00152072)

M. S. Gilotra
Managing Director
(DIN: 00152190)

Place : Mumbai
Dated : May 23, 2022

Annexure B

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on corporate governance is built on overseeing business strategies, ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, and the society at large.

Your Company's Corporate Governance philosophy is based on the following principles:

a) Appropriate size and composition of the Board with each Director bringing in expertise in a different area;

b) The flow of information in a systematic manner to the Board of Directors to enable them to effectively discharge their fiduciary duties;

c) Ethical business conduct by the Management and Employees across all the locations;

d) Maintenance of appropriate systems and processes for internal controls on all operations;

e) Timely and accurate disclosure of all relevant, operational and financial information to the stakeholders; and

f) Empowerment and integrity of its employees, safety of the employees and communities surrounding our plants, transparency in decision making process.

The Compliance Report on Corporate Governance herein signifies adherence by the Company of all mandatory requirements of Regulations 17 to 27, Regulation 34(3) read with para-C & D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")

BOARD OF DIRECTORS

The Board is the focal point and custodian of corporate governance for your Company. An active, diverse, well-informed and independent board safeguards and maintains sound corporate governance across all the functions. The Board of your Company oversees how the management safeguards the interests of all stakeholders. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objectives of creating long term value for the Company's stakeholders.

THE SIZE AND COMPOSITION OF THE BOARD AS ON 31ST MARCH 2022 IS AS UNDER:

As on 31st March 2022, the Company has 11 (eleven) Directors. Out of 11, 6 (six) (i.e. 55%) are Independent Directors; 3 (three) (i.e. 27%) are Non-Independent Directors - Non-Executive and 2 (two) (i.e. 18%) are Executive Directors.

None of the Directors of your Company held Directorship in more than 7 (seven) listed companies. Further, none of the Independent Directors (ID) of your Company served as an ID in more than 7 (seven) listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity and serves as an ID of more than 3 (three) listed entities. None of the Directors held directorship in more than 20 (twenty) Indian companies, with not more than 10 (ten) public limited companies.

None of the Directors is a member of more than 10 committees or acted as chairperson of more than 5 committees (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the SEBI LODR Regulations) across all the public limited companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

The composition of the Board of Directors is in conformity with Regulation 17A and 26 of SEBI LODR Regulations. The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 and the SEBI LODR Regulations.

Further, all the Directors provide an annual confirmation that they do not attract any disqualification as prescribed under Section 164 of the Companies Act, 2013 and Independent Directors confirm annually that they meet the criteria of independence as defined under Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations. Based on the confirmation / declarations received from the Independent Directors and on evaluation of the relationships disclosed, the Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the executive management.

DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT

In terms of Section 152(6) of the Companies Act, 2013, Mr. Hemang D. Mehta (DIN: 00146580) Non-Executive Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

The brief resume of the Director proposed to be reappointed is appended to the Notice of the Annual General Meeting.

Changes in Board composition

CESSATION OF DIRECTOR

Mr. Jayant N Godbole (DIN: 00056830), Independent Director of the Company ceased to be the Independent Director w.e.f. 04.01.2022 due to sad demise. Your Company and the Board of Directors appreciate the valuable contribution made by him during his tenure on the Board as Director of the Company.

Details of Board meeting held during the year and directors present are given below:

During the year under review, 5 (five) Board Meetings were held through video conferencing which were on 25th May, 2021, 11th August, 2021, 28th October, 2021, 26th November, 2021 and 5th February, 2022.The gap between any two (2) Board meetings did not exceed one hundred and twenty (120) days, as stipulated under the Companies Act, 2013 and Regulation 17 SEBI LODR Regulations and Secretarial Standards.

THE DETAILS OF EACH MEMBER OF THE BOARD AS ON 31ST MARCH 2022 AND THEIR ATTENDANCE AT BOARD MEETINGS DURING THE YEAR AND LAST ANNUAL GENERAL MEETING (AGM) ARE PROVIDED HEREUNDER:

Sr. No.	Name of the Director	Category of Directorship	No. of Board Meetings attended during FY 2021-22	Whether attended last AGM held on 21st September 2021	Relationship with other Director	No. of Shares held
1.	Mr. M. N. Mehta	Chairman, Non-Executive, Non-Independent	5	No	Father of Mr. Jay Mehta	28480
2.	Mr. Jay Mehta	Executive Vice Chairman, Non-Independent	5	Yes	Son of Mr. M. N. Mehta	14630
3.	Mr. Hemang D. Mehta	Non-Executive, Non-Independent	5	Yes	--	51534
4.	Mr. Hemnabh Khatau	Non-Executive, Non-Independent	5	No	--	--
5.	Mr. M. N. Rao	Non-Executive, Independent	5	Yes	--	--
6.	Mr. B.P. Deshmukh	Non-Executive, Independent	5	Yes	--	--

Sr. No.	Name of the Director	Category of Directorship	No. of Board Meetings attended during FY 2021-22	Whether attended last AGM held on 21st September 2021	Relationship with other Director	No. of Shares held
7.	Mr. K. N. Bhandari	Non-Executive, Independent	5	Yes	--	--
8.	Mr. Jayant N. Godbole	Non-Executive, Independent	4	Yes	--	--
9.	Mr. Bimal R. Thakkar	Non-Executive, Independent	5	No	--	--
10.	Mrs. Bhagyam Ramani	Non-Executive, Independent	5	No	--	--
11.	Mr. Ashwani Kumar	Non-Executive, Independent	5	Yes	--	--
12.	Mr. M.S. Gilotra	Managing Director, Non-Independent	5	Yes	--	1,94,252*

*Issued and allotted under Saurashtra Employees Stock Option Scheme 2017.

Except Mr. M. N. Mehta and Mr. Jay Mehta, none of the Directors of the Company or any of the Key Managerial Personnel are inter-se related.

OTHER DIRECTORSHIPS

Compliance with Directorship limits

None of the Directors of your Company is a Director in more than twenty companies (including ten public companies) or acts as an Independent Director in more than seven listed companies, or three listed companies in case they serve as a Whole-time Director in any listed Company.

Compliance with Committee positions

Disclosures have been made by the Directors regarding their Chairmanships/Memberships of mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of the SEBI LODR Regulations. Accordingly, none of the Directors on the Board of your Company is a member of more than ten Committees and Chairperson of more than five Committees, across all Indian public limited companies in which he/she is a Director.

The details of the Directorships and Committee memberships in other Companies (excluding Private Limited Companies & Foreign Companies) held by the Directors as on 31st March 2022 are given below:

Sr. No.	Name of the Director	Other Directorships*	Committee Positions**		Name of the Listed entities	Category of Directorship
			Chairman	Member		
1.	Mr. M. N. Mehta Chairman, Non-Executive, Non-Independent	1	-	-	Gujarat Sidhee Cement Limited	Chairman
2.	Mr. Jay Mehta Executive Vice Chairman, Non-Independent	2	-	1	1) Gujarat Sidhee Cement Limited 2) ADF Foods Limited	1) Executive Vice Chairman, Non-Independent 2) Non-Executive, Non-Independent Director
3.	Mr. Hemang D. Mehta Non-Executive, Non-Independent	-	-	-	-	-

Sr. No.	Name of the Director	Other Directorships*	Committee Positions**		Name of the Listed entities	Category of Directorship
			Chairman	Member		
4.	Mr. Hemnabh Khatau Non-Executive, Non-Independent	1	-	-	Gujarat Sidhee Cement Limited	Non-Executive, Non-Independent Director
5.	Mr. M. N. Rao Non-Executive, Independent	1	1	2	Gujarat Sidhee Cement Limited	Non-Executive, Independent Director
6.	Mr. B. P. Deshmukh Non-Executive, Independent	-	-	-	-	-
7.	Mr. K. N. Bhandari Non-Executive, Independent	4	5	4	1) Shristi Infrastructure Development Corporation Limited 2) Gujarat Sidhee Cement Limited 3) Hindalco Industries Limited 4) Jaiprakash Associates Limited	Non-Executive, Independent Director
8.	Mr. Bimal Thakkar Non-Executive, Independent	2	-	2	1) Gujarat Sidhee Cement Limited 2) ADF Foods Limited	1) Non-Executive, Independent Director 2) Executive Director, Managing Director
9.	Mrs. Bhagyam Ramani Non-Executive, Independent	3	-	5	1) Capri Global Capital Limited 2) Gujarat Sidhee Cement Limited 3) Lloyds Metals and Energy Limited	Non-Executive, Independent Director
10.	Mr. Ashwani Kumar Non-Executive, Independent	2	2	2	1) Gujarat Sidhee Cement Limited 2) Macrotech Developers Limited	Non-Executive, Independent Director
11.	Mr. M.S. Gilotra Managing Director, Non-Independent	1	-	2	Gujarat Sidhee Cement Limited	Executive Director, Managing Director

* Includes Directorships of Indian Public Limited companies other than Saurashtra Cement Limited.

** Includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (whether listed or not) other than Saurashtra Cement Limited.

BOARD PROCEDURES

Meetings

The Board of the Company meets at least four times in a year and the intervening gap between the meetings is within the period prescribed under the Companies Act, 2013 and the SEBI LODR Regulations. The conduct of Board and Committee Meeting(s) of your Company is in compliance with the applicable provisions of the Act, Secretarial Standard -1 ('SS-1') on the Meetings of the Board of Directors as prescribed by the Institute of Company Secretaries of India (ICSI), and the SEBI LODR Regulations.

AGENDA

The Board meetings are governed by structured agenda. The agenda along with comprehensive notes and background material are circulated seven days in advance to all the Directors for facilitating effective decision making. The Directors are also provided the facility of video conferencing to enable them to participate effectively in the Meeting(s), as and when required. Additional agenda in the form of 'Other Business" are included with the permission of the Chairman and with the consent of the majority of the Independent Directors present at the meeting.

The Board has been provided with complete access to all the relevant information as is deemed necessary of the Company including but not limited to information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI LODR Regulations for discussions and consideration, discharging their obligations and performing their duties as Directors of the Company.

INVITEES AND PROCEEDINGS

Apart from the Board members, the Company Secretary and CFO also attend all the Board & Committee Meetings. Other senior management executives of the Company / Associate Company are also invited to provide inputs for the items being discussed by the Board. The Managing Director and CFO make presentations on the quarterly and annual operating and financial performance and on annual budget at the Board and Audit Committee meeting respectively. The Chairman of various Committees briefs the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board Meeting.

DETAILS OF FAMILIARISATION PROGRAMMES FOR DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. The directors are familiarized on a quarterly basis on the various legal and regulatory updates.

A structured induction programme for new Directors is also organised, where they get to meet and interact with all senior leaders of business divisions and functions to obtain an in-depth understanding of the Company's business. Factory visits are also organised for the new Directors to gain hands-on understanding and knowledge of the business operations.

The details of the aforementioned induction and familiarisation programme are disclosed on the Company's website and can be accessed at following link: http://scl.mehtagroup.com/investors/announcements.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS, INCLUDING INDEPENDENT DIRECTORS

The Board carries out an annual performance evaluation comprising review of the performance of the Directors individually as well as the evaluation of the working of the entire Board and its Committees in accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations. For this purpose, a structured questionnaire is prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as structure and composition of the Board, quality of Board processes, Board culture and dynamics, and effectiveness in carrying out its role as expected by all the stakeholders.

In accordance with the provisions of Schedule IV of the Act and Regulation 25(3) of the SEBI LODR Regulations, a separate meeting of the Independent Directors of the Company was held on 18th May 2022 through video conferencing where the Independent Directors assessed the Executive Directors on the basis of the contribution made by such Directors in the achievement of business targets, development and successful execution of the business plans, their management of relationship with the Members of the Board of Directors and management personnel as well as creating a performance culture to drive value creation.

The Board as a whole was assessed by Independent Directors taking into consideration the diversity, composition of the Board, frequency of meetings, qualification mix, regulatory compliances, corporate culture, values and interaction with the management etc.

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD OF DIRECTORS

Pursuant to Regulation 34(3) read with Schedule V of the SEBI LODR Regulations as amended, the Board has identified the key skills, expertise and competencies required in the context of the Company's business for its effective functioning which are currently possessed by the Board Members.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company in accordance with Para C(2)(h) (ii) of Schedule V of the SEBI LODR Regulations which are currently available with the Board:

Sr. No.	Skills / Expertise / Competence	Available with the Board (Yes / No)	Name of the Directors who have such skills /expertise / competence
1.	Technical Expertise	Yes	Mr. M. N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. Hemnabh Khatau, Mr. M. N. Rao, Mr. M.S. Gilotra
2.	Legal Expertise	Yes	Mr. K.N. Bhandari, Mr. B.P. Deshmukh
3.	Industry Expertise	Yes	Mr. M.N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. M. N. Rao, Mr. M. S. Gilotra
4.	Finance Expertise	Yes	Mr. M.N. Mehta, Mr. Jay Mehta, Mr. Hemnabh Khatau, Mr. M. N. Rao, Mr. Bimal Thakkar, Mr. K.N. Bhandari, Mr. B. P. Deshmukh, Mrs. Bhagyam Ramani, Mr. Ashwani Kumar, Mr. M. S. Gilotra
5.	Strategy	Yes	Mr. M. N. Mehta, Mr. Bimal Thakkar, Mr. Jay Mehta, Mr. M. N. Rao, Mr. M.S. Gilotra, Mr. K. N. Bhandari, Mrs. Bhagyam Ramani, Mr. Hemang D. Mehta, Mr. B. P. Deshmukh, Mr. Hemnabh Khatau, Mr. Ashwani Kumar
6.	Marketing Expertise	Yes	Mr. M.N. Mehta, Mr. Hemang D. Mehta, Mr. Jay Mehta, Mr. Bimal Thakkar, Mr. Ashwani Kumar, Mr. M.S. Gilotra

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

BOARD COMMITTEES

The Board Committees are set up by the Board and play a crucial role in the governance structure. The Committees have been constituted to deal with specific areas / activities as mandated by applicable regulations. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. During the financial year, all recommendations made by the various Committees have been accepted by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

There are 6 (six) Board constituted Committees as on March 31, 2022, which comprise of 4 (four) mandatory committees and 2 (two) non-mandatory committees. The details of the various Board Committees are as mentioned below:

❖ **Mandatory Committees**

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders’ Relationship and Grievances Committee
4. Corporate Social Responsibility Committee

❖ **Non-Mandatory Committees**

1. Allotment Committee
2. Finance Committee

The role, composition and other details of the aforesaid Committees are given below:

AUDIT COMMITTEE OF DIRECTORS

The constitution of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations. The Audit Committee of the Company oversees the financial reporting process of the Company.

NUMBER OF MEETINGS HELD BY THE COMMITTEE AND ATTENDANCE OF COMMITTEE MEMBERS

During the year, 4 (four) meetings of the Audit Committee were held. The meetings were held on the 29th day of May 2021, 11th day of August 2021, 28th day of October 2021 and 5th day of February 2022. Partners/Representatives from Internal Auditors and Statutory Auditors also attended the meetings.

The composition of the Committee as on 31st March 2022 and attendance details of meetings during FY 2021-22, are as follows:

Sr. No.	Members of Audit Committee	No. of meetings held during FY 2021-22	No. of meetings attended.
1.	Mr. M. N. Rao, Chairman	4	4
2.	Mr. K. N. Bhandari, Member	4	4
3.	Mrs. Bhagyam Ramani, Member	4	4
4.	Mr. M. S. Gilotra, Member	4	4

The approved Minutes of the Audit Committee Meetings are perused and noted by the Board of Directors at the subsequent Board Meetings. The gap between two consecutive meetings did not exceed 120 days. The Chairman of the Audit Committee was present at the last Annual General Meeting.

TERMS OF REFERENCE OF AUDIT COMMITTEE ARE AS FOLLOWS:

1. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend the appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approve payment to Statutory Auditors for any other services rendered by them.
4. Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
   a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of the Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;
   g) modified opinion(s) in the draft audit report;

5. Review, with the management, the quarterly financial statements before submission to the Board for approval;
6. Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approve transactions of the Company with related parties and any subsequent modification;
9. Scrutinize inter-corporate loans and investments;
10. Consider Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluate internal financial controls and risk management systems;
12. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discuss with Internal Auditors of any significant findings and follow up there on;
15. 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;
16. Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Review the functioning of the Whistle Blower / Vigil Mechanism;
19. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Review the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
21. To review the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time);
22. Carry any other function as is mentioned in the terms of reference of the Audit Committee.

The following roles of Audit Committee have been notified by SEBI vide its circular dated 3rd November, 2020 for considering scheme of arrangement for approval.

- Need for the merger/demerger/amalgamation/arrangement;
- Rationale of the scheme;
- Synergies of business of the entities involved in the scheme;
- Impact of the scheme on the shareholders;
- Cost benefit analysis of the scheme.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE CONSTITUTION

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of your Company have formed a Corporate Social Responsibility ('CSR') Committee. The Committee has framed a Corporate Social Responsibility Policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of our social objectives with business strategy.

COMPOSITION AND ATTENDANCE

The Board has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 comprising of the following Directors.

During the year, the Committee had 1 (one) meeting. The meeting was held on the 29th day of May 2021. The composition of the Committee as on 31st March 2022 and attendance details of meetings held during FY 2021-22, are as follows:

Members of the CSR Committee	No. of meetings held during FY 2021-22	No. of Meetings attended
Mr. Jay Mehta, Executive Vice Chairman	1	1
Mr. M. S. Gilotra, Member	1	1
Mr. Jayant N. Godbole, Member (Ceased to be Member effective from 4.1.2022 due to death)	1	1
Mrs. Bhagyam Ramani (Inducted as Member effective from 5.2.2022)	1	-
Mr. Bimal Thakkar, Member	1	1

The approved minutes of the CSR Committee is noted by the Board of Directors at its next Board meeting.

Your Company has a policy in place on the Corporate Social Responsibility.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Section 135 of Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII;

b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c) To monitor the CSR Policy of your Company from time to time; and

d) Such other Terms of Reference as may be specified from time to time under the Companies Act, 2013, Rules there under and Schedule VII of the Act.

NOMINATION AND REMUNERATION COMMITTEE CONSTITUTION

The Nomination and Remuneration Committee (NRC) is responsible for devising criteria for determining qualifications, attributes and independence of the Directors. It is also responsible for identifying persons to be appointed at Senior Management levels as well as devising remuneration policy for the Directors, Key Managerial Personnel and Senior Management Personnel.

COMPOSITION AND ATTENDANCE

The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR Regulations.

During the year, two meetings were held. These meetings were held on the 25th day of May, 2021 and 28th day of June, 2021.

The composition of the Committee as on 31st March 2022 and attendance details of meetings held during FY 2021-22, are as follows:

Sr. No.	Members of Nomination & Remuneration Committee	No. of meetings held during FY 2021-22	No. of meetings attended.
1.	Mr. K. N. Bhandari (Chairman)	2	2
2.	Mr. M.N. Rao (Member)	2	2
3.	Mr. Bimal Thakkar (Member)	2	2
4.	Mr. Ashwani Kumar (Member)	2	2

The approved Minutes of the Nomination and Remuneration Committee Meetings are perused and noted by the Board of Directors at the subsequent Board Meetings.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulate criteria for evaluation of Independent directors and the Board;

c) Devise a policy on Board diversity;

d) Identify persons who are qualified to become directors and also such persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board, their appointment and removal;

e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

f) Recommend to the board, all remuneration, in whatever form, payable to senior management.

REMUNERATION/COMPENSATION POLICY

Your Company has a Nomination and Remuneration Committee Charter and Compensation Policy in place. Remuneration policy of the Company is designed to create a high performance culture.

The Remuneration / Compensation / Increments to the Whole Time Director, KMP, Senior Management Personnel is being determined by the Committee and then recommended to the Board. Shareholders' approval is taken as and when required under the Act. The provisions of the Act along with Schedule V are complied.

The Remuneration paid to Executive / Non-Executive Directors is paid as per the Companies Act, 2013. Sitting Fees being paid to Non-Executive / Independent Directors does not exceed Rs One Lakh per meeting of the Board / Committee or such higher amount as may be prescribed by the Central Government from time to time. Your Company also reimburses the out of pocket expenses incurred by the Directors for attending such meetings.

Details of Remuneration of Directors paid for the Financial Year 2021-22

Executive Directors

(₹ in Lakhs)

Name	Salary & Allowances	Commission	Perquisites (Other than ESOP)	Super-annuation Paid (Taxable)	ESOP Perks*	Total	Exempt Benefits		Total
							Contribution to PF	Contribution to Superannuation	
Mr. Jay M Mehta, Executive Vice Chairman	287.36	11.66	15.12	23.71	-	337.85	6.00	1.50	345.35
Mr. M. S. Gilotra, Managing Director	263.50	8.74	8.67	19.33	89.29	389.53	7.50	-	397.03

The above Executive Directors were reappointed for a period of 3 years effective from 1.1.2021 and the appointment(s) can be terminated by either side by giving three months' notice in writing. No Severance fees is applicable to the above Directors.

(*) ESOP is granted at ₹ 10/- (face value of shares). For the exercise period and accrual, details are given under the head 'Employees Stock Option Scheme' in the Directors' Report.

Non-Executive Directors

The Directors were paid sitting fees of ₹ 75,000/- per meeting for attending the meeting of the Board, Audit Committee and Independent Directors Meeting and ₹ 60,000/- for Nomination and Remuneration Committee. The sitting fees is ₹ 30,000/- per meeting for Stakeholders Relationship & Grievances Committee, CSR Committee, Allotment Committee and Finance Committee.

The detail of sitting fees paid to Directors during the FY 2021-22 is given below:-

Sr. No.	Name of the Directors	No. of Board meeting attended	No. of Committee meetings attended	Total	Amount of Sitting fees paid (₹)
1.	Mr. M. N. Mehta (Chairman)	5	-	5	375000
2.	Mr. Hemang D. Mehta	5	-	5	375000
3.	Mr. Hemnabh Khatau	5	-	5	375000
4.	Mr. M.N. Rao	5	8	13	945000
5.	Mr. B.P. Deshmukh	5	6	11	600000
6.	Mr. K.N. Bhandari	5	9	14	975000
7.	Mr. Bimal R. Thakkar	5	15	20	975000
8.	Mr. Jayant N. Godbole	4	2	6	405000
9.	Mrs. Bhagyam Ramani	5	12	17	1005000
10.	Mr. Ashwani Kumar	5	5	10	675000
	Total				**6705000**

STAKEHOLDERS RELATIONSHIP & GRIEVANCES COMMITTEE CONSTITUTION

The constitution of the Stakeholders' Relationship & Grievances Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations.

The Committee specially looks into the redressal of investors' complaints relating to transfer of shares, non-receipt of annual reports, non-receipt of declared dividends and other investor related matters. In addition, the Committee also looks into matters, which facilitate investors' services and relations.

COMPOSITION AND ATTENDANCE

As on March 31, 2022, the Committee comprised of three directors viz, Mr. Bimal Thakkar – Independent Director, Mr. Jay Mehta - Executive Vice Chairman and Mr. M. S. Gilotra – Managing Director. Mr. Bimal Thakkar, Non-Executive, Independent Director is the Chairman of the Stakeholders Relationship & Grievances Committee. Ms. Sonali Sanas, President (CS, Legal & Strategy) is designated as the Compliance Officer who oversees the redressal of the investor grievances.

During the year, four meetings of the Committee were held. These meetings were held on the 21st day of May 2021, 4th day of August 2021, 27th day of October 2021 and 3rd day of February 2022.

The composition of the Committee as on 31st March 2022 and attendance details of meetings held during FY 2021-22, are as follows:

Sr. No	Members of Stakeholders Relationship & Grievances Committee	No. of meetings held during FY 2021-22	No. of meetings attended
1.	Mr. Bimal Thakkar (Chairman)	4	4
2.	Mr. Jay Mehta (Member)	4	2
3.	Mr. M.S. Gilotra (Member)	4	4

The details of complaints attended by the Company's Registrar during the year were as under:

No. of complaints received	No. of Complaints redressed	No. of complaints pending.
2	2	Nil

The approved minutes of the Stakeholders Relationship & Grievances Committee is circulated and noted by the Board of Directors at the subsequent Board Meetings.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

a) To resolve the grievances of the Shareholders of the Company including complaints related to transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends;

b) Review of measures taken for effective exercise of voting rights by shareholders;

c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

ALLOTMENT COMMITTEE

CONSTITUTION

The Committee has been constituted for allotment and post-allotment activities of the Company's shares. The scope of work of this Committee is to approve allotment, issue of share certificate / letter of allotment, offer letter and information memorandum.

COMPOSITION AND ATTENDANCE

During the year, the Committee had five meetings. These meetings were held on 1st day of May 2021, 4th day of August 2021, 4th day of October 2021, 10th day of December 2021 and 14th day of February 2022.

The composition of the Committee as on 31st March 2022 and attendance details of meetings held during FY 2021-22, are as follows:

Members of the Allotment Committee	No. of meetings held during FY 2021-22	No. of meetings attended
Mr. B. P. Deshmukh (Member)	5	5
Mr. Bimal Thakkar (Member)	5	5
Mrs. Bhagyam Ramani (Member)	5	5
Mr. M. S. Gilotra (Member)	5	3

The approved minutes of the Allotment Committee is noted by the Board of Directors at its subsequent Board meeting.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

a) To recommend to the Board of Directors for issue, offer of Company's securities;

b) To carry out all necessary pre and post allotment activities relating to the allotment;

c) To issue certificate, letter of offer, and approving such allotment;

d) To allot shares to all the eligible employees from time to time who will be exercising the options granted to them under Saurashtra Employee Stock Option Scheme 2017.

FINANCE COMMITTEE

CONSTITUTION

The Committee was constituted for taking decisions on urgent requirements of finance for the operations of the Company. The Committee was reconstituted effective from 11th day of August 2021 with additional functions like evaluating various strategic projects / fund raising proposals.

COMPOSITION AND ATTENDANCE

The reconstituted Committee comprises of 6 (six) Directors viz. Mr. Jay Mehta, Executive Vice Chairman, Mr. Bimal Thakkar, Independent Director, Mr. K. N. Bhandari, Independent Director, Mr. Ashwani Kumar, Independent Director, Mrs. Bhagyam Ramani, Independent Director and Mr. M. S. Gilotra, Managing Director.

During the year, the Committee had one meeting. This meeting was held on the 16th day of December, 2021.

The composition of the Committee as on 31st March 2022 and attendance details of meetings held during FY 2021-22, are as follows:

Members of the Finance Committee	No. of meetings held during FY 2021-22	No. of meetings attended
Mr. Jay Mehta (Executive Vice Chairman, Member)	1	1
Mr. Bimal Thakkar (Independent Director, Member)	1	1
Mr. K. N. Bhandari (Independent Director, Member)	1	1
Mr. Ashwani Kumar (Independent Director, Member)	1	1
Mrs. Bhagyam Ramani (Independent Director, Member)	1	1
Mr. M. S. Gilotra (Managing Director, Member)	1	1

The approved minutes of the Allotment Committee is noted by the Board of Directors at its subsequent Board meeting.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place **"Vigil Mechanism / Whistle Blower Policy"** for vigil mechanism of Directors and Employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct and in accordance with the Section 177 (9) & (10) of the Companies Act, 2013. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee.

The Whistle Blower Policy is uploaded on the website of the Company at http://scl.mehtagroup.com/policy/whistle-blower-policy.

The Policy was amended by the Board in line with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 to provide for whistle blowing in case of leak or suspected leak of unpublished price sensitive information.

This Policy is intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any instances of leak of unpublished price sensitive information and/or any other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting.

The directors and employee(s) may approach the Audit Committee in the first instance or after bringing it to the attention of the management and not being addressed to the concerned persons satisfaction.

The name and e-mail address of the Chairman of the Audit Committee is given below:

Name of the Chairman	Address	Contact No.(s)
Mr. M. N. Rao	Saurashtra Cement Limited 2nd Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.	022-66365444 scl-mum@mehtagroup.com

This policy is applicable to all the directors and employees of your Company.

GENERAL BODY MEETINGS:

The details of the last three Annual General Meetings (AGMs) of the Company:

Financial Year	Day and Date	Time	Venue	Special Resolutions passed	Dividend declared
2020-21	21.09.2021	2.30 p.m.	Through Video Conferencing (VC)/ Other Audio-visual Means (OVAM) at Mumbai	1. Ratification of Cost Auditors remuneration to be paid to M/s V.J. Talati & Co., Cost Accountants for the Financial Year ending 31st March, 2022. 2. Resolution under Section 14 of the Companies Act 2013 for amendment in the existing para 1 & 3 of Articles 91, existing para 1of Article 93 and existing para 1 of Article 96.1 of the Articles of Association of the Company, authorising the Vice Chairman to chair any of the General Meetings (Annual or Extra-ordinary) in absence of the Chairman of the Company. 3. Resolution under Section 180(1) (a) of the Companies Act, 2013 for creation of mortgage /charge on the movable or immovable properties of the Company for an amount not exceeding ₹ 1000 crores. 4. Resolution under Section 180(1) (c) of the Companies Act, 2013 for increase in the borrowing limit from ₹ 400 crores to ₹ 1000 crores.	Final dividend of ₹ 0.75 per share on 7,00,47,733 fully paid up Equity Shares of ₹ 10/- each for the Financial Year ended 31st March 2021

Financial Year	Day and Date	Time	Venue	Special Resolutions passed	Dividend declared
2019-20	24.09.2020	3.30 p.m.	Through Video Conferencing (VC)/ Other Audio-visual Means (OVAM) at Mumbai	1. Ratification of Cost Auditors remuneration to be paid to M/s V.J. Talati & Co., Cost Accountants for the Financial Year ending 31st March, 2021 2. Reappointment of Mr. Jay Mehta, Executive Vice Chairman from 1st January 2021 till 31st December 2023 and payment of remuneration. 3. Reappointment of Mr. M. S. Gilotra, Managing Director from 1st January 2021 till 31st December 2023 and payment of remuneration. 4. To provide loan/ advances to Gujarat Sidhee Cement Ltd (GSCL) to the extent of ₹ 10 Crores outstanding at any given point of time at the interest rate of 9% or SBI prevailing bank rate +2% whichever is lower (per annum) to be utilized for the principal business of GSCL.	1st Interim dividend of ₹ 0.75 per share on 6,94,80,288 fully paid-up Equity Shares for the period ended 30th September 2020 and 2nd Interim Dividend of ₹ 1/- per share on 6,95,18,449 fully paid up Equity Shares for the Financial year 2019-20
2018-19	21.08.2019	10.00 a.m.	Registered office of the Company	1. Ratification of Cost Auditors remuneration to be paid to M/s V.J.Talati & Co., Cost Accountants for the Financial Year ending 31st March, 2020 2. Approval for continuation of holding of office by Mr. B. P. Deshmukh (DIN: 00002357) as a Non-Executive Independent Director of the Company beyond the age of 75 years. 3. Approval for continuation of holding of office by Mr. Jayant Godbole (DIN: 00056830) as a Non-Executive Independent Director of the Company beyond the age of 75 years. 4. Approval for Related Party Transactions (RPT) pursuant to Section 188 of the Companies Act, 2013 and rules made there-under and applicable SEBI (LODR) Regulation, 2015.	NIL

No resolutions were put for voting through postal ballot.

Extraordinary General Meetings

No Extraordinary General Meeting was held during the year.

Special Resolutions

As stated above.

DISCLOSURES

i) Transactions with Related Party / Material Nature

During the year under review, there were no transactions of material nature with the Promoters, the Directors, Management or the subsidiaries or relatives of the Directors that had potential conflict with the Company. Transactions with related parties are mentioned in Note No. 39 of Notes forming part of financial statements.

ii) Penalties and Strictures

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three (3) years.

iii) Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee and Board. The approval of the Audit Committee/ Board is sought from time to time as and when available. The Company has a policy on dealing with the related party transactions. The related party transactions policy is available on the website of the Company. The web-link to the same is http://scl.mehtagroup.com/policy/related-party-transactions-policy.

iv) Disclosure of Accounting Treatment

In preparation of Financial Statements, the Company has followed the Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

v) Disclosure on Risk Management

Your Company has laid down procedures on the risk assessment and minimization procedures, which is periodically reviewed by the Company.

vi) Code of Conduct

Your Company had formulated a comprehensive Code of Conduct for its Board members, employees and business partners that requires strict adherence to our corporate values while delivering a world-class customer experience. All the members of the Board and Senior Management Personnel have affirmed compliance with the code of conduct as on March 31, 2022. A declaration to the effect, confirming the same signed by the Managing Director and the senior management of the Company, forms part of this Report.

vii) CEO / CFO Certification

Certificate from the Executive Vice Chairman, Managing Director and CFO on the Audited / Unaudited Financial Statements of the Company for each quarter and annual financial results were placed before the Board.

viii) Policy for preservation of documents

Your Company has a policy for preservation of documents in place. The said policy is available at http://scl.mehtagroup.com/policy/scl_policy-for-preservation-of-documents.

ix) Policy for determination of material event and price sensitive information

Your Company has a policy for determination of material events and price sensitive information in place. The said policy is available at http://scl.mehtagroup.com/policy/scl_policy-for-determination-of-event.

x) Code of Conduct for Prohibition of Insider Trading

In accordance with Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, ("Insider Trading Regulations"), the Company has put in place a Code which provides for procedure to be followed by the insiders for trading in securities of the Company including pre-approval, reporting and restrictions on contra trading. The Code also contains processes to ensure safeguards against leakage of Unpublished Price Sensitive information ("UPSI") of the Company.

Your Company has a policy for Prohibition of Insider Trading. The said policy is available at web-link http://scl.mehtagroup.com/policy/code-of-conduct-for-insider-trading.

xi) **Policy and Procedure for Enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information**

Your Company has a policy for enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information. The said policy is available at web-link http://scl.mehtagroup.com/policy/policy-and-procedure-for-enquiry-in-case-of-leak-of-upsi.

xii) **Policy and Procedure for sharing of Unpublished Price Sensitive Information for Legitimate Purpose**

Your Company has a policy for sharing of Unpublished Price Sensitive Information for Legitimate purposes. The said policy is available at web-link http://scl.mehtagroup.com/policy/codes-of-fair-disclosure-and-conduct.

xiii) **Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace**

Your Company has adopted a policy in line with the provisions of **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** and the Rules made thereunder. Detailed mechanism has been laid down in the policy for reporting of cases of sexual harassment to **'Internal Complaints Committee'** constituted under this policy comprising senior officials (including senior women employee) of your Company and an independent member from NGO, for conducting of inquiry into such complaints, recommending suitable action during the pendency and/or completion of the inquiry including strict disciplinary action including termination of the services. During the financial year 2021-22, your Company had not received any complaints of sexual harassment.

MEANS OF COMMUNICATION

Your Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the online portal of the Stock Exchange, the Annual Reports, publication in the newspapers and uploading relevant information on its website.

i. **Financial Results and Statements:**

The unaudited quarterly results are announced within 45 (forty-five days) from the end of the quarter. The audited annual results are announced within 60 (sixty days) from the closure of financial year as required under SEBI LODR Regulations. The aforesaid financial results are communicated to the Stock Exchange within 30 (thirty) minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in Business Standard, national daily newspaper and in Jaihind, Gujarat, which is a regional (Gujarati) daily newspaper.

ii. **Online filing:**

All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre).

iii. **Material Information:**

Your Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI LODR Regulations including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. The said information are intimated to the Stock Exchange within 24 hours of occurrence of event and is also hosted on the website of the Company.

GENERAL SHAREHOLDERS INFORMATION

a) The 64th Annual General Meeting of the Company will be held on Tuesday the 26th July 2022 at 4.30 p.m.

b) Financial year: April 01, 2021 to March 31, 2022.

c) Date of Book closure: From Wednesday the 20th July 2022 to Tuesday the 26th July 2022 (both days inclusive).

d) Board Meeting for consideration of unaudited/audited results

Particulars	Date
Quarter I ended 30th June 2021	11.08.2021
Quarter II ended 30th September 2021	28.10.2021
Quarter III ended 31st December 2021	05.02.2022
Quarter IV / Year ended 31st March 2022	23.05.2022

Listing of Equity Shares on Stock Exchange at

Name and Address of the Stock Exchange	Stock Code	ISIN for NSDL / CDSL (Dematerialized shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	Security Code: 502175 SAURASHCEM	INE626A01014

Listing Fees

Your Company has paid Listing Fees for the financial year 2022-2023 to the BSE Limited where your Company's shares are listed.

Registrar & Share Transfer Agent

Your Company has appointed M/s. Link Intime India Pvt Ltd as Registrars and Share Transfer Agent for transfer of securities held in physical form. The Registrar also accepts and attends to complaints of security holders. Their complaints are given top priority by them and are replied promptly.

No complaint received from the Shareholders / Investors as on 31st March 2022 is pending relating to transfer of security.

Share Transfer System

The share transfer in physical form are processed by the Registrars and Share Transfer Agent and the share certificates returned within a period of 15 to 20 days from the date of receipt provided that the documents are found to be in order.

The shares held in demat form are transferred electronically through the depositories, i.e. CDSL & NSDL.

Distribution of Shareholding as on March 31, 2022:

No. of equity shares held		No. of shareholders	% of Total Shareholders	Total Shares	% of Total Shares
From	To				
1	500	14318	85.23	1719053	2.44
501	1000	1176	7.00	974030	1.39
1001	2000	571	3.40	880626	1.25
2001	3000	182	1.08	477802	0.68
3001	4000	106	0.63	383874	0.55
4001	5000	102	0.61	477732	0.68
5001	10000	176	1.05	1297356	1.84
10001	above	169	1.00	64103315	91.17
Total		**16800**	**100**	**70313788**	**100**

Shareholders Profile as on March 31, 2022:

Category	No. of shareholders	% of Total Shareholders	No. of shares held	% of Total Shares
Promoter Group Companies	11	0.06	46297653	65.84
Bodies Corporate	185	1.10	3754499	5.34
NRIs	460	2.74	197158	0.28
FIIs	4	0.02	1810	0.00
UTI & Insurance Companies	6	0.04	138250	0.20
Banks	5	0.03	1150	0.00
Mutual Fund	1	0.01	100	0.00
Foreign Companies	1	0.01	2470000	3.51
Indian Public	16127	95.99	17453168	24.83
Total	**16800**	**100**	**70313788**	**100.00**

Dematerialization of shares

As on March 31, 2022; 6,99,82,787 equity shares constituting 99.53% of the Company's total share capital were held in dematerialized form with NSDL and CDSL.

Stock Market price data for the period 2021–2022

The High, Low and Closing prices of the Company's share of the face value of ₹ 10/- each on BSE Limited, from April 2021 to March 2022 are as under:-

SCL Share Price on BSE vis-a-vis BSE Sensex - April 2021-March 2022 are given below:

(in ₹)

Month	High in ₹	Low in ₹	Closing in ₹	Volume (No. of Shares traded)
April 2021	68.80	59.60	62.70	9,37,670
May 2021	83.95	63.00	82.10	26,96,970
June 2021	102.00	80.00	91.80	59,34,139
July 2021	114.95	89.15	113.25	49,75,412
August 2021	138.90	89.35	95.90	41,98,516
September 2021	106.90	90.60	93.30	11,23,300
October 2021	97.70	82.00	82.70	9,95,365
November 2021	86.00	65.15	72.15	15,43,175
December 2021	76.00	66.10	71.25	5,65,229
January 2022	84.95	70.25	78.95	9,89,627
February 2022	84.75	59.05	66.95	9,91,115
March 2022	70.30	61.00	62.60	11,01,179

Performance in comparison to broad-based indices is given below:

Indices	BSE (Sensex)	SCL Quote at BSE (₹)
1 April, 2021 (Open)	49868.53	64.75
31 March, 2022 (Closed)	58568.51	62.60
Increase / (Decrease)	8699.98	-2.15
% Increase / (Decrease)	17.45	-3.32

Plant Location

Near Railway Station,
Ranavav, Dist: Porbandar, Gujarat 360560.

Address for correspondence

Registered Office:

Near Railway Station
Ranavav – 360 560 Dist: Porbandar, Gujarat.

Corporate Office:

Share Department
2nd Floor, N.K. Mehta International House
178 Backbay Reclamation
Mumbai - 400 020.
E-mail ID: sclinvestorquery@mehtagroup.com

Shareholder correspondence should be addressed to Registrars & Share Transfer Agent

M/s. Link Intime India Pvt Ltd
(Unit: Saurashtra Cement Limited)
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai – 400 083.
Tel. 022 - 49186000
Fax: 022 - 49186060
Contact Person: Mr. Satyan Desai
E-mail: mumbai@linkintime.co.in

A separate e-mail ID: sclinvestorquery@mehtagroup.com has been created specifically for investor query / complaints.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of Bank Account / Bank nomination etc.

Mandatory requirement

SEBI has made mandatory that Investors holding securities in physical mode are required to submit a copy of the PAN Card, Proof of address, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination in the prescribed forms to the Registrar & Transfer Agent for processing request for (a) issue of duplicate share certificate, (b) replacement / renewal / exchange of share certificate, (c) consolidation of share certificate, (d) sub-division / splitting of share certificate, (e) consolidation of folios, (f) endorsement, (g) change in the name of the holder, (h) change in status from minor to major and resident to NRI and vice versa, (i) claim for undelivered share certificate, prior to its transfer unclaimed suspense account, (j) claim from unclaimed suspense (demat) account, (k) transmission and (l) transposition.

OTHER DISCLOSURES

1. **Details of utilization of funds raised through preferential allotment of qualified institutions placement as specified under Regulation 32(1A).**

   Nil.

2. **A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the Board /Ministry of Corporate Affairs or any such statutory authority.**

   The said certificate received from M/s. Ragini Chokshi & Co., Practicing Company Secretaries forms part of the Directors Report as **Annexure G**.

3. **Secretarial Compliance Report**

   The Company has received Secretarial Compliance Report for the year ended 31st March 2022 from M/s. Ragini Chokshi & Co, Practicing Company Secretaries, pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 and forms part of the Directors Report as **Annexure L**.

4. **Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.**

   The Board has accepted all the recommendations from the Committees.

5. **Total fees for all the services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.**

   During the year, the Company has paid total fees of ₹ 23.12 lakhs to the Statutory Auditor.

6. **Disclosures with respect to demat suspense account / unclaimed suspense account.**

   The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

   a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: **None**

   b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **None**

   c) Number of shareholders to whom shares were transferred from suspense account during the year: **None**

   d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: **None**

   e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **N.A.**

   (g) The security of the Company was never suspended from trading during the year 2021-22.

NON-MANDATORY REQUIREMENTS

(a) Corporate Office:

The Corporate Office of the Company supports the Chairman in discharging the responsibilities.

(b) Shareholders Rights- furnishing of quarterly/yearly results:

As the Company's quarterly/half yearly results are published in English Newspaper having circulation all over India and in a Gujarati Newspaper widely circulated in Gujarat, the same are not sent to each Shareholder.

(c) Auditor's Opinion:

The Company's Standalone Financial Statements for the year ended 31st March 2022 does not have any qualification.

(d) Separate posts for Chairperson and Chief Executive Officer:

The position of the Chairman of the Board of Directors and the CEO are separate.

(e) Reporting of internal auditor:

The Partner of Internal Auditor reports directly to the Audit Committee.

SUBSIDIARY COMPANIES

There is no material non-listed Indian Subsidiary Company as on March 31, 2022 requiring appointment of Independent Director of the Company on the Board of Directors of the subsidiary companies.

On behalf of the Board of Directors

Jay M. Mehta	**M. S. Gilotra**
Executive Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place: Mumbai

Date: May 23, 2022

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management have confirmed compliance with the Code of Conduct and Ethics for the financial year ended 31st March 2022.

On behalf of the Board of Directors

Jay M. Mehta	**M. S. Gilotra**
Executive Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place: Mumbai

Date: May 23, 2022

To,

The Members of

SAURASHTRA CEMENT LIMITED

NR Railway Station, Ranavav Gujarat 360560

We have examined the compliance of the conditions of Corporate Governance by SAURASHTRA CEMENT LIMITED ('the Company') for the financial year ended 31st March, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended 31st March, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ragini Chokshi &Co.**
(Company Secretaries)

Ragini Chokshi
(Partner)
C .P. No.: 2390
ACS: 1436
UDIN: F002390D000295298

Place: Mumbai

Date: 10th May 2022

Annexure C

SAURASHTRA CEMENT LIMITED

The disclosures as required as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI Requirements are given below:

No. of Options outstanding at the beginning of the period	9,45,463
No. of Options forfeited/lapsed during the year	-
No. of Options vested during the year	-
No. of Options exercised during the year	5,01,774
No. of shares arising as a result of exercise of options	5,01,774
Exercise Price	₹ 10/- per option
Option cancelled	Nil
Variation of terms of Option	None
Money realized by exercise of options	₹ 50,17,740/-
No. of options outstanding at the end of the year	4,43,689
No. of options exercisable at the end of the year	4,43,689

Employee wise details granted to :

Key Managerial Personnel

Name	Designation	No. of Options vested on 8th February 2019, 8th February 2020 and 8th February 2021	No. of options exercised	No of shares allotted
M. S. Gilotra	Managing Director	3,45,955	1,14,165	1,14,165
Rakesh Mehta	Chief Financial Officer	1,38,455	54,765	54,765
Sonali Sanas	President (Legal, CS & Strategy)	79,536	33,247	33,247
Narendra Singh	Director (Works)	1,79,917	88,746	88,746

Employees to whom more than 5% options granted during the year:

Name	Designation	Number of Options granted
Nil		

Employees to whom options more than 1% of issued capital granted during the year :

Nil

Utilisation of Funds :

During the year, the Company has utilized the entire amount of ₹ 50,17,740/- received towards allotment of shares to the eligible employees under Saurashtra Employee Stock Option Scheme 2017 towards working capital of the Company.

Annexure D

To,
The Board of Directors,
Saurashtra Cement limited
2nd Floor, N. K. Mehta International House
178, Backbay Reclamation
Mumbai 400 020.

Independent Auditor's Certificate on Employee Stock Option Plan in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

1. We have been requested by Saurashtra Cement Limited ("the Company"), having its registered office at Near Railway Station, Ranavav 360560, Gujarat, to certify that the Saurashtra Employees Stock Option Scheme 2017 ("ESOP" or "Scheme") as approved at the board meeting held on May 23, 2017 and approved at the Annual General Meeting held on July 26, 2017 is in compliance with Regulations 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") as amended from time to time for the purpose of onward submission to Annual General Meeting of the Company.

Management's Responsibility

2. The Management is responsible for ensuring that the Company complies with the requirements of the Regulations and provides all relevant information in the Annual General meeting of the Company.

Auditor's Responsibility

3. Pursuant to the requirements of the Regulation, it is our responsibility to provide a reasonable assurance whether the Saurashtra Employees Stock Option Scheme 2017 is in compliance with the Regulations.
4. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.
6. The following documents have been furnished by the Company.
   a) Copy of the Saurashtra Employees Stock Option Scheme 2017;
   b) Copy of the special resolution passed by the shareholders of the Company at the General Meeting held on 26th July 2017;
   c) Details of eligible directors/employees, status of options granted, vested, exercised, expired along with the copies of minutes of Allotment Committee for allotment of shares to the directors and employees;
   d) Independent Valuation Report in respect of Fair Value of the option;
   e) Relevant ledger accounts along with details of accounting for options since grant of the options;
   f) in-principal approval dated 7th May 2018 from the Bombay Stock exchange before exercise of option;

g) Details of Approval received from Bombay Stock Exchange for listing on Stock Exchange of equity shares of the Company issued pursuant to ESOP during the FY 2021-22 are as under:

Sr. No.	Date of allotment	No. of shares allotted	Date of listing as per approval from BSE
1.	01/05/2021	71,561	17/05/2021
2.	04/08/2021	1,57,797	25/08/2021
3.	04/10/2021	27,753	20/10/2021
4.	10/12/2021	1,56,107	21/12/2021
5.	14/02/2022	82,195	25/02/2022

h) Written representation from the management with respect to compliance of the conditions mentioned in the Regulations.

7. We have performed the following procedures:

a) Verified that the special resolutions passed by the shareholders at the Annual General Meetings is in accordance with the Regulation;

b) Verified the details of options granted, vested, exercised, forfeited, expired alongwith copies of the Minutes of Allotment Committee Meeting for allotment of shares to the directors and employees;

c) Verified the calculation of Fair Value of Option from the Independent Valuer's Report;

d) Verified the ESOP data with relevant supporting documents and records of the Company; and

e) Verified that the scheme is in compliance with relevant provisions of the Regulations.

8. Based on information and explanation given to us and perusal of the scheme, we have noted that 3rd and last trench of ESOP got vested on February 08, 2021. Further, up to financial year 2021-22, 48480 option granted have lapsed.

Opinion

9. Based on our examination, as above, and the information and explanations given to us, we report that the Company has implemented the Saurashtra Employees Stock Option Scheme 2017 in accordance with the Regulations to the extent applicable and the resolutions passed by the shareholders in the Annual General Meetings.

Restriction in Use

10. The certificate is issued solely for the purpose of onward submission before the shareholders in the annual general meeting. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. M/s. Manubhai & Shah LLP shall not be liable to the Company, the shareholders or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(K C Patel)
Partner
Membership No. 30083
UDIN.: 22030083AJGCJT7052

Place: Ahmedabad
Date: May 19, 2022

Annexure E

Form No. AOC-2

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

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

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

   Not Applicable as all contracts are at arm's length basis

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

   There are no material contracts. However, the transactions at arms length basis is as under:

   I. (a) Name(s) of the related party and nature of relationship:

   Gujarat Sidhee Cement Limited – Associate Company.

   (b) Nature of contracts/arrangements/transactions:

   a. Sale / Purchase / supply of clinker and cement at the rates fixed by the Audit Committee.

   b. Availing, rendering services like administration, human resources and sharing of common expenses on agreed formula etc.

   c. Brand fee for use of Brand "Hathi" as per Brand valuation report.

   All above transactions are at prevailing market price and at arms length basis.

   (c) Duration of the contracts/arrangements/transactions:

   Nil

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

   Please refer item (b) above.

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

   29th May 2021.

   (f) Amount paid as advances, if any:

   NIL

   II. (a) Name(s) of the related party and nature of relationship:

   Agrima Consultants International Limited – wholly owned subsidiary

   (b) Nature of contracts/arrangements/transactions:

   Utilisation of their premises by the Company for official use.

   (c) Duration of the contracts/arrangements/transactions:

   On going with the approval of the Audit Committee and Board.

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

   Please refer item (b) above.

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

   29th May 2021.

   (f) Amount paid as advances, if any.

   NIL

III. (a) Name(s) of the related party and nature of relationship:

Mehta Private Limited – Associate Company

(b) Nature of contracts/arrangements/transactions:

Utilisation of their residential premises as guest house for stay of Directors / Senior Executives / Consultants of the Company.

(c) Duration of the contracts/arrangements/transactions:

On going with the approval of the Audit Committee and Board.

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

Please refer item (b) above.

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

29th May 2021.

(f) Amount paid as advances, if any.

NIL

For and on behalf of the Board of Directors

Jay Mehta	**M. S. Gilotra**
Executive Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place : Mumbai

Dated : May 23, 2022

Annexure F

Disclosure pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Directors seeking appointment / re-appointment at the 64th Annual General Meeting:

Name of Director	**Mr. Hemang D Mehta**
Date of Birth	March 06, 1955
Date of Appointment	Initially joined the Board on 16.4.1993 and was reappointed in current term on 24.09.2020.
Nature of his expertise in specific General/ Functional area	Has about 40 years of experience in Corporate and Operational Management in the cement industry and in plastics and packaging Industry. He has worked in India, Kenya, Canada and U.S.A.
Qualification	Graduated from the University of Manchester Institute of Science and Technology Science and Technology Manchester Business School.
Relationship between Director(s) inter se	None
List of outside Directorships held (Public Limited Companies)	Nil
Chairman/ Member of the Committee of the Board of Directors of the Company	Nil
Names of the listed entities from which he has resigned in the past three years	Nil
Details of Directorships and Committee memberships of Mr. Hemang D Mehta as on March 31, 2022	Nil
Shareholding in the Company	51534 Equity Shares

Annexure G

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
SAURASHTRA CEMENT LIMITED
NR Railway Station, Ranavav Gujarat 360560

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SAURASHTRA CEMENT LIMITED** having CIN L26941GJ1956PLC000840 and having registered office at NR Railway Station, Ranavav Gujarat- 360560 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Baburao Deshmukh Prataprao	00002357	30/08/2012
2.	Kailash Nath Bhandari	00026078	28/10/2005
3.	Muttavarapu Nageswara Rao	00027131	15/10/2004
4.	Bimal Ramesh Thakkar	00087404	29/04/2009
5.	Bhagyam Ramani	00107097	30/05/2014
6.	Hemang D Mehta	00146580	15/10/2004
7.	Jay Mahendra Mehta	00152072	15/10/2004
8.	Mohinderpal Singh Gilotra	00152190	01/01/2009
9.	Mahendra Nanjibhai Mehta	00632865	15/10/2004
10.	Hemnabh Ranvir Khatau	02390064	25/10/2008
11.	Ashwani Kumar	02870681	13/02/2019
12.	Jayant Godbole *	00056830	28/04/2008

*Mr. Jayant Godbole ceased to be a director of the Company with effect from 04/01/2022 due to death.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ragini Chokshi & Co.**
Ragini Chokshi
(Partner) C.P.No: 1436
FCS No: 2390
UDIN: F002390D000291525

Place: Mumbai
Date: 9th May, 2022

Annexure H

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are given below:

a. Ratio of the remuneration of each Director / KMP to the median remuneration of all the employees of the Company for the Financial Year:

Median remuneration of all the employees of the Company for the Financial Year 2021-22	610258
Percentage increase in the median remuneration of employees in the Financial Year	2.82%
Number of permanent employees on the rolls of the Company as on 31st March 2022	356

Name of Director and KMP	Ratio of remuneration to median remuneration of all employees(a)	% increase in remuneration in the Financial Year 2021-22	Notes
Executive Director			
Mr. Jay Mehta, Executive Vice Chairman	55.84 : 1	0.00%	
Mr. M. S. Gilotra, Managing Director	47.08 : 1	0.00%	(#) & (@)
Other KMPs			
Mr. Rakesh Mehta, Chief Finance Officer	17.45 : 1	11.62%	(@)
Ms. Sonali Sanas, President (CS, Legal & Strategy)	15.91: 1	25.05%	(@)

(a) The ratio of remuneration to the median remuneration is based on the remuneration paid during the period 1st April 2021 to 31st March 2022.

(#) In accordance with all applicable approvals; includes payment of HRA in place of rent free accommodation.

(@) Employees who were granted and exercised options in the form of ESOPs in the year 2021-22 are not included else the data would have been non-comparable.

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

The average percentage increase in the remuneration of employees is around 6.42%. Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel is in line with the industry practice and is within the normal range.

c. The remuneration is as per the remuneration policy of the Company.

Annexure I

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]
(For the Financial Year Ended 31st March 2022)

To,
The Members,
SAURASHTRA CEMENT LIMITED
Near Railway Station, Ranavav - 360 560
Porbandar, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAURASHTRA CEMENT LIMITED (CIN: L26941GJ1956PLC000840)** (hereinafter called the "Company") for the financial year ended 31st March, 2022. 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering 1st April, 2021 to 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period 1st April, 2021 to 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**

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

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any debt securities during the Audit Period)**;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not Registrar to an Issue and Share Transfer Agent during the financial year)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable as the Company has not bought back any of its securities during the Audit Period)**

(i) Securities and Exchange Board of India (Depositories & Participants) Regulation, 2018 **(To the extend applicable)**.

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The Mines Act, 1952 and Mines Rules 1955;
2. Metalliferous Mines Regulation (MMR-1961);
3. The Limestone & Dolomite Mines Labor Welfare Fund Act, 1972 & Rules 1973;
4. Mineral Conservation & Development Rules - 2017;
5. Cement Cess Rule, 1993
6. Cement (Quality Control) Order, 2003.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 "SEBI (LODR)".

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

We further report that

- The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in the compliance with the provision of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.

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.

The Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax has not been reviewed in the audit since the same has been subject to the review by the statutory financial audit and other designated professionals.

We further report that during the audit period, the Company had no specific events or actions which might have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. Declaration of final dividend of ₹ 0.75 per share on 7,00,47,733 fully paid up Equity Shares of ₹ 10/- each was approved at the Annual General Meeting held on 21st September, 2021.
2. The Share Allotment Committee of the Board of Directors has allotted 71,561 equity shares at Face Value of ₹ 10 each on 1st May, 2021 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
3. The Board of Directors has allotted 13,538,370 equity shares at Face Value of ₹ 10 each on 29th May, 2021 to the shareholders of Parsec Enterprises Private Limited pursuant to Scheme of Amalgamation of Parsec Enterprises Private Limited ("PEPL" or "the Transferor Company") with Saurashtra Cement Limited ("SCL" or "the Transferee Company").
4. The Share Allotment Committee of the Board of Directors has allotted 157,797 equity shares at Face Value of ₹ 10 each on 4th August, 2021 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
5. The Share Allotment Committee of the Board of Directors has allotted 27,753 equity shares at Face Value of ₹ 10 each on 4th October, 2021 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
6. The Share Allotment Committee of the Board of Directors has allotted 1,56,107 equity shares at Face Value of ₹ 10 each on 10th December, 2021 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
7. The Share Allotment Committee of the Board of Directors has allotted 82,195 equity shares at Face Value of ₹ 10 each on 14th February, 2022 to employees eligible under "Saurashtra Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
8. Mr. Jayant Godbole, (DIN: 00056830) ceased to be a director of the Company with effect from 04/01/2022 due to death.
9. The scheme of amalgamation between Parsec Enterprises Private Limited ("PEPL" or "the Transferor Company") with Saurashtra Cement Limited ("SCL" or "the Transferee Company") was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order no. C.P.(CAA)/15(AHM)2021 in CA(CAA) 76 of 2020 dated 26th April, 2021. The Scheme was made effective by Parsec Enterprises Private Limited and the Company by filing INC-28 with the Registrar of Companies on 7th May 2021 vide SRN T18131078 and T18130963 respectively.
10. Alteration of Para 1 of Article 91, new Para in Article 93, new Para in Article 96.1 of Articles of Association of the Company.

For **Ragini Chokshi & Co.**
(Companies Secretaries)

Ragini Chokshi
(Partner)
C.P.No: 1436
FCS No: 2390
UDIN: F002390D000354940

Place: Mumbai
Date: 20th May, 2022

Annexure J

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company:**

   Corporate Social Responsibility (CSR) is a broad concept that can take many forms depending on the Company and industry. Through CSR programs, philanthropy, and volunteer efforts, businesses can benefit society while boosting their brands.

   As important as CSR is for the community, it is equally valuable for a Company. CSR activities can help forge a stronger bond between employees and corporations, boost morale and help both employees and employers feel more connected with the world around them.

   Your Company has always laid emphasis on progress with social commitment. Your Company believes strongly in its core values of empowerment and betterment of not only the employees but also its communities around. Your Company has undertaken projects in the area of promoting education, healthcare, environment sustainability, rural development etc. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Jay Mehta	Executive Vice Chairman	1	1
2.	Mr. Jayant Godbole (Ceased to be member w.e.f. 4.1.2022)	Independent Director	1	1
3.	Mr. Bimal Thakkar	Independent Director	1	1
4.	Mrs. Bhagyam Ramani (Inducted as Member w.e.f. 5.2.2022)	Independent Director	1	-
5.	Mr. M.S. Gilotra	Managing Director	1	1

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

   The Composition of the CSR Committee is available at http://scl.mehtagroup.com/committee and CSR Policy is available at http://scl.mehtagroup.com/policy/csr-policy

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	Not applicable		
2			
3			
	TOTAL		

6. Average net profit of the Company as per section 135(5).

   ₹ 5688.06 lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5)

   ₹ 113.76 lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

   Nil

   (c) Amount required to be set off for the financial year, if any.

   Nil

   (d) Total CSR obligation for the financial year (7a+7b- 7c).

   ₹ 113.76 lakhs

8. (a) 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.
113.77 lakhs	N.A.	N.A.	N.A.	N.A.	N.A.

   (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implemen-tation-Direct (Yes/ No).	Mode of Implemen-tation - Through Implemen-ting Agency	
				State.	District.						Name	CSR Registra-tion number.
1.												
2.												
3.												
	TOTAL	Not applicable										

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Educational activities	1. Running of School namely Shri Saurashtra Cement Vidya Vihar, Ranavav.	Yes	Gujarat	Porbandar	15.00	Yes	N.A.	N.A.
		2. Procured Green Boards, Cupboard, Chairs, Tables, Plate sets for meal, Speaker set, Awards to children for cultural development and installation of music system for Ran Primary School	No	Gujarat	Devbhoomi Dwarka District	3.72	Yes	N.A.	N.A.
		3. Following projects carried out at Arya Kanya Vidyalaya namely New Washrooms & toilets, Installation of Purifiers, Online education facilities, Obstacle course, Water proofing, Repair of boundary walls and Introduction of Bio-metric attendance	Yes	Gujarat	Porbandar	90.90	No	Raj Ratna Sheth Shri Nanjibhai Kalidas Mehta Arya Kanya Vidyalaya Trust	CSR00007072
2.	Environmental Projects	Waste plastic pick up project in five villages at Ranavav, Adityana, Amardal, Adtipata and Boricha as a part of the celebration of 75th Azadi ka Amrut Mahotsav, scheme initiated by Government of India & Government of Gujarat.	Yes	Gujarat	Porbandar Ranavav Taluka	4.15	Yes	N.A.	N.A
	TOTAL					113.77			

(c) Amount spent in Administrative Overheads - **Nil**

(d) Amount spent on Impact Assessment, if applicable - **Nil**

(e) Total amount spent for the Financial Year - (8b+8c+8d+8e) ₹ **113.77 lakhs**

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ in lakhs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	113.76
(ii)	Total amount spent for the Financial Year	113.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.01
(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)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1.	2018-19	Not Applicable					
2.	2019-20						
3.	2020-21						
	TOTAL						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in Which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project- Completed / Ongoing.
1.		Not applicable						
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – **Not applicable**

(a) Date of creation or acquisition of the capital asset(s). **N.A.**

(b) Amount of CSR spent for creation or acquisition of capital asset. **N.A.**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

N.A.

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

N.A.

Place :Mumbai
Date : May 23, 2022

Jay Mehta
Chairman-CSR Committee
DIN: 00152072

M. S. Gilotra
Managing Director
DIN: 00152190

Annexure K

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY:

a) **Steps taken or impact on Conservation of Energy:**

1. Installation of kiln inlet graphite seal.
2. Cooler fan no.6 direct drive modification.
3. Raw Mill ID fan replacement with energy efficient fan.
4. Replacement/Optimization of plant compressor pipelines.
5. Replacement of cement mill no.2 separator with high efficiency dynamic separator.
6. Replacement of 45 nos of old window type air conditioners by New energy efficiency air conditioners.
7. Installation of 200 numbers LED fittings at different locations.
8. Automation of cement mill number 4.
9. Automation of colony water pump and STP.
10. Installation of KIMA smart fill and Mill master online expert system in cement mill no.1
11. Automation of cement mill no.2.
12. Installation of 10kva X 2 UPS for IT.
13. Installation of dry flash feeding system in cement mill no.2 & 3.
14. Modification of Raw Mill Roller sealing arrangement to reduce false air.
15. Installation of 10 KVA Solar Panel for lighting in mines.

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

i) Study for enhancing the consumption of AFR by third parties.

ii) Modification of liquid AFR firing system.

c) The capital investment on energy conservation equipment:

- Capital invested for items mentioned in (a) and (b) above during the year was ₹ 665 lacs.

B. TECHNOLOGY ABSORPTION:

a) Efforts made towards technology absorption:

1. Installation of sound level system in cement mill 2&4.
2. Installation of Dryer in coal mill no.2 for increase capacity during monsoon period.
3. Installation of weigh feeder in cement mill no.4
4. Upgradation of LT MCC with smart MCC in cement mill no.4 for remote operation.
5. Installation of energy saver at various location for air conditioners.
6. Installation of online monitoring system on HT-6 and LC-3 transformer.
7. Upgradation of coal firing panels with new control panels.
8. Upgradation of 320 kw vfd panel of cement mill no.1 separator.

b) Benefits derived like product improvement, cost reduction, product development or import substitution:

1. Reduction in fuel consumption.
2. Improvement in quality.
3. Improvement in reliability.

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Nil

d) Expenditure incurred on Research and Development (R&D)

Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned.

	Current Year 2021-22 (₹ in Lacs)	Previous Year 2020-21 (₹ in Lacs)
Foreign Exchange earned	**733.81**	542.75
Foreign Exchange used	**10,384.89**	9,064.41

Annexure L

SECRETARIAL COMPLIANCE REPORT

OF SAURASHTRA CEMENT LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined:

(a) all the documents and records made available to us and explanation provided by SAURASHTRA CEMENT LIMITED ("the listed entity")

(b) the filings/ submissions made by the listed entity to the stock exchanges

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of:

(a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and theRegulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

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

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; **(Not Applicable to the Company during the Audit Period)**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended from time to time, and based on the above examination, We hereby report that, during the Review Period:

    (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Not Applicable during the year under review			

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of actions taken E.g. fines, warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary
Not Applicable during the year under review				

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr.No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended… (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable during the year under review				

For **Ragini Chokshi & Co.**

Ragini Chokshi
(Partner)
Membership No: 2390
CP No: 1436
UDIN: F002390D000291547

Place: Mumbai
Date: 9th May, 2022

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To

The Members of Saurashtra Cement Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Saurashtra Cement Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'standalone financial statements').

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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
Recognition of Deferred Tax Assets The Company has recognized Deferred Tax Assets on tax credit (MAT) which involves significant judgment to determine whether there will be reasonable certainty of taxable income against which the tax credit will be utilized. We have considered this matter to be key audit matter considering the materiality of amount of tax credit, significant judgement involved in estimating future taxable income against which such assets can be realized. Refer Note Nos 18 and 41 to the Standalone Financial Statements.	Our audit procedures include the following substantive procedures: - Obtained details of completed tax assessments up to year ended March 31, 2022 from management. - We involved our internal experts to review management's underlying assumptions regarding availability of tax credit in the light of the provisions of the Income Tax Act, 1961. - We evaluated the estimates of profitability made by the management on the basis of which it is considered that the company will have sufficient taxable income against which tax credit will be utilized. - Verified that recognition of such assets is made in accordance with Ind AS 12 "Income Taxes".
Impairment of Capital Work in Progress (CWIP) The company has incurred the expenditure of ₹ 8,107.17 Lakhs on expansion project in earlier years. The expenditure comprised of cost of imported plant & machineries (including related stores and spares), civil work and pre-operative expenses (including interest capitalized). Balance of ₹ 7,892.10 Lakhs on March 31, 2022 is shown under Capital Work in Progress in balance sheet. The project was suspended in the year 2005. However, the company intends to install the assets at a later date, depending upon the market condition. For this purpose company has got the evaluation and valuation of assets done by a project consultant. Based on the report of the consultant, the fair value of assets is estimated at ₹ 4,473.46 lakhs. This value is higher than the carrying value at ₹ 3,294.32 lakhs of these assets and the company has continued provision for impairment of ₹ 4,597.78 lakhs as at March 31, 2022. We have considered this matter to be key audit matter considering the significant judgement involved in valuation of assets for the purpose of determining impairment and materiality of amount involved . Refer Note No 2 to the Standalone Financial Statements.	Our audit procedures include the following substantive procedures: - Obtained the details of assets and expenditure incurred in respect of expansion project. - Carried out physical verification of the assets and assessed their condition. - Discussed with senior management about their plan for utilization of the assets at a later date and relevant documents in relations thereto. - Perused the valuation report of the valuation expert and reviewed underlying assumptions on the basis of which valuation has been made. - Verified the working of the amount of provision made for impairment of the assets. - Verified that accounting treatment / disclosure in respect of impairment of assets is in accordance with Ind AS 36 "Impairment of Assets".

Key Audit Matter	Auditor's Response
Revenue recognition - Estimation of incentives to customers Revenue from sale of products is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. The Company sells its products through various channels such as dealers and commission agents; (customers) and provides incentives to them in the form of rebate, discount etc. under various marketing schemes. As per the accounting policy of the Company, the revenue is recognised upon transfer of control of goods to the customer and net of rebate/discount/incentives based on the scheme. This requires an estimation of the revenue taking into consideration these incentives. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates. With regard to the determination of revenue, the management is required to make significant estimates in respect of the followings: - The incentives linked to sales, which will be given to the customers pursuant to schemes offered by the Company; - Benefits offered by the dealers to the ultimate consumers is also considered on behalf of the company. The matter has been determined to be a key audit matter in view of volume and complexities in working as well as the involvement of significant estimates by the management. Refer Note Nos 22 and 25 to the Standalone Financial Statements.	Our audit procedures include the following substantive procedures: - Obtained an understanding from the management with regard to controls relating to recording of incentives and period end outstanding value of performance obligations and tested the operating effectiveness of such controls. - Tested the inputs used in the estimation of revenue in context of incentives. - Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes. - Verified the authorisation for schemes for incentives. - Analysed past trends by comparing actuals with the estimates of earlier periods. - Verified that accounting treatment is in accordance with Ind AS 115 "Revenue from Contracts with Customers".

Key Audit Matter	Auditor's Response
Acquisition of Paint Business The Company has purchased an undertaking of the Paint Business of M/s Snowcem Paints Private Limited for a total consideration of ₹ 5,411.00 Lakhs on slump sale basis and as a going concern, including its manufacturing facilities, licenses & permissions, various brands in India and overseas, Trademarks and associated IPR, distribution and supply chain network, etc. by executing Definitive Agreement (DA) on April 7, 2021. The purchase was effective from May 1, 2021. Accounting for the acquisition has involved judgment in order to: - identify and measure the fair value of the assets acquired; - allocate the purchase consideration between assets and goodwill; - the identification and valuation of intangible assets acquired such as Trademark, Licences and Software. Business acquisition being significant event during the year and involvement of significant judgement for valuation of assets, the matter is considered as key audit matter. Refer Note No. 44 to the Standalone Financial Statements.	Our audit procedures include the following substantive procedures: - Examined the terms and conditions of the Definitive Agreement (DA) in connection with the acquisition of Paint Business. - Tested the completeness and existence of the assets acquired by comparison to DA, through discussions with the management. - We assessed the Company's determinations of fair values for assets acquired and the methods used to value the underlying assets by: ➢ Reading the valuation reports prepared by the appointed external valuers. ➢ Evaluating the competence, objectivity and integrity of the appointed external valuation specialists. ➢ Involving our internal valuation specialists in assessing the appropriateness of the methods used to determine the fair values of the intangible assets including assumptions such as the discount rates applied. - Evaluated the accounting treatment and appropriateness of adequate disclosures in accordance with the applicable Ind AS.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the 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 Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Managing and Executive Directors during the year is in accordance with the provisions of section 197 of the Act.

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

      (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial statements – Refer Note No 34 to the Standalone Financial statements.

      (ii) The company did not have any long-term contracts including derivative contracts.

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

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

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

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

(v) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The company has not declared the interim or final dividend for the current year.

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

For, **Manubhai & Shah LLP**
Chartered Accountants
ICAI Firm Registration No. 106041W /W100136

(K C Patel)
Partner
Membership No. 30083
UDIN: 22030083AJLQXN9586

Place: Ahmedabad
Date: May 23, 2022

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Saurashtra Cement Limited 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")

In conjunction with our audit of the Standalone Financial statements of Saurashtra Cement Limited ('the Company') as of and for the year ended March 31, 2022, we have also audited the internal financial controls over financial reporting of the Company.

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For, **Manubhai & Shah LLP**
Chartered Accountants
ICAI Firm Registration No. 106041W /W100136

(K C Patel)
Partner
Membership No. 30083
UDIN: 22030083AJLQXN9586

Place: Ahmedabad
Date: May 23, 2022

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Saurashtra Cement Limited of even date)

Report on the Companies (Auditor' Report) Order, 2020, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Saurashtra Cement Limited,('the Company')

To the best information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course audit, we state that

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE), Capital work in progress and relevant details of right of use Assets.

B. The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a programme of verification to cover all the items of PPE in a phased manner of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, portion of the fixed assets were physically verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

In respect of immovable properties that have been taken on lease and disclosed in the financial statements (as property, plant and equipment and right-of use asset) as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for the following:

Description of properties	Gross carrying value as at Balance Sheet date	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Leasehold Land admeasuring 12455 sq. mt. at Gotan, Dist. Nagaur, Rajasthan.	₹ 122.10 Lakhs	Snowcem Paints Private Limited	No	Less than 1 year	Approval for transfer of land from District Collector, Nagaur was pending. Transfer deed is executed and registered on April 21, 2022.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below:

₹ In Lakhs

Quarter ended	Name of bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for differences, as explained by the management
June 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	10,062.88	9,551.86	(511.02)	i. Stock under letter of credit, receivable from related party, debtors for other operating revenue and outstanding debtors for more than 120 days are not considered by the bank for calculation of drawing power and hence not reported by the Company. ii. Change in value / amount after submission of statement to Bank due to Limited Review.
September 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	8,625.81	8,297.44	(328.37)	
December 31, 2021	HDFC Bank Limited	Inventories and Trade Receivables	14,321.85	10,456.91	(3,864.94)	
March 31, 2022	HDFC Bank Limited	Inventories and Trade Receivables	11,987.52	12,041.07	53.55	

Refer Note No. 19.2 of the financial statements.

(iii) During the year, the Company has not made any investment in, provided any guarantee or security to companies, firms, limited liability partnerships or any other parties. During the year, the Company has granted interest free unsecured loans to employees in respect of which:

a) (i) Aggregate amount of loan provided to subsidiary is ₹ Nil and balance outstanding at the balance sheet date is ₹ Nil.

(ii) During the year, aggregate amount of loan provided to employees is ₹11.86 lakhs and balance outstanding at the balance sheet date is ₹14.64 Lakhs.

b) The investments made and the terms of the grant of all loans are not prejudicial to the company's interest. The company has not provided any guarantee or given security.

c) In respect of loans granted by the Company, the schedule of repayment of principal have been stipulated and the repayments thereof have been regular as per stipulation.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans and investments made. The company has not given any guarantee or provided any security in connection with the loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.

(v) The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at March 31, 2022. Therefore, the reporting requirement under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of cement produced by the Company where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been 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 not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, income tax deducted at source, Goods and Service Tax and other material statutory dues, as applicable.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the details of disputed statutory dues of Income Tax, Service tax, Sales Tax, Value Added Tax, Excise Duty and other material statutory dues which have not been deposited on account of a dispute as at 31st March 2022 are as follows:

Name of statute	Nature of dues	Amount (₹ in Lakhs)	Year to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	174.05	2006-07 & 2007-08	High Court of Gujarat
		952.69	2007-08 to 2016-17	CESTAT
		405.57	2009-10 to 2013-14	CESTAT
Customs Act, 1962	Custom Duty	524.48	2011-12 & 2012-13	CESTAT
Mines and Minerals (Development and Regulation) Act, 1957	Royalty	15.12	2004-05 to 2006-07	High Court of Gujarat
		355.83	2003-04 to 2014-15	High Court of Gujarat
Gujarat Stamp Act, 1958	Stamp Duty	28.02	2013-14	High Court of Gujarat

(viii) (a) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes 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) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause (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). Hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge no fraud by the Company or on the Company, is noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were 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(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto Month of March 2022.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected to directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For, **Manubhai & Shah LLP**
Chartered Accountants
ICAI Firm Registration No. 106041W /W100136

(K C Patel)
Partner
Membership No. 30083
UDIN: 22030083AJLQXN9586

Place: Ahmedabad
Date: May 23, 2022

BALANCE SHEET AS AT MARCH 31, 2022

	Note No.	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	37,580.42	34,362.34
(b) Capital Work-in-Progress	2	6,750.77	5,979.12
(c) Right of Use Assets	2	100.62	153.24
(d) Goodwill	2	222.47	-
(e) Intangible Assets	2	2,303.29	7.61
(f) Intangible Assets under Development	2	527.24	76.75
(g) Financial Assets			
(i) Investments	3	913.57	760.40
(ii) Loans	4	8.50	131.94
(iii) Other Financial Assets	5	201.69	138.96
(h) Other Non-Current Assets	6	2,394.36	2,386.95
SUB-TOTAL		51,002.93	43,997.31
CURRENT ASSETS			
(a) Inventories	7	9,632.17	5,597.35
(b) Financial Assets			
(i) Trade Receivables	8	3,513.37	2,901.84
(ii) Cash and Cash Equivalents	9	90.17	411.68
(iii) Bank Balances other than (ii) above	10	12,717.90	18,393.20
(iv) Loans	11	6.14	4.65
(v) Other Financial Assets	12	180.59	297.53
(c) Other Current Assets	13	958.96	1,076.61
SUB-TOTAL		27,099.30	28,682.86
TOTAL ASSETS		78,102.23	72,680.17
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	7,031.69	6,982.15
(b) Other Equity	15	45,298.72	45,428.51
SUB-TOTAL		52,330.41	52,410.66
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	430.22	462.15
(ii) Lease Liabilities	36	47.62	44.38
(b) Provisions	17	1,054.13	1,282.67
(c) Deferred Tax Liabilities (Net)	18	1,966.02	1,705.72
SUB-TOTAL		3,497.99	3,494.92
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	5,661.07	1,576.80
(ii) Lease Liabilities	36	60.02	121.84
(iii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		127.10	85.41
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		4,689.54	3,610.60
(iv) Other Financial Liabilities	21	1,939.44	2,117.18
(b) Other Current Liabilities	22	9,323.07	8,811.70
(c) Provisions	23	473.59	338.46
(d) Current Tax Liabilities (Net)	24	-	112.60
SUB-TOTAL		22,273.83	16,774.59
TOTAL EQUITY AND LIABILITIES		78,102.23	72,680.17
Significant Accounting Policies and Notes are an integral part of the Financial Statements	1 to 50		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Note No.	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
Revenue from Operations	25	76,129.41	67,371.22
Other Income	26	1,137.07	1,230.07
Total Income		77,266.48	68,601.29
Expenses			
(a) Cost of Materials Consumed	27	11,672.00	7,736.29
(b) Purchases of Stock-in-trade	28	223.28	-
(c) Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	29	(2,167.16)	1,569.84
(d) Employee Benefits Expense	30	4,819.64	4,529.00
(e) Finance Costs	31	493.00	437.42
(f) Depreciation and Amortisation Expenses	2	2,272.28	2,003.64
(g) Other Expenses	32	59,217.16	42,069.28
Total Expenses		76,530.20	58,345.47
Profit before Exceptional Items and tax		736.28	10,255.82
Exceptional Items	33	(141.66)	-
Profit before tax		594.62	10,255.82
Tax Expenses	41		
(a) Current tax		110.40	2,897.77
(b) Relating to previous years		(3.20)	1.99
(c) Deferred tax		256.26	117.90
Total Tax Expense		363.46	3,017.66
Profit for the year		231.16	7,238.16
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		16.29	(30.08)
(b) Effect of measuring Equity Instruments on Fair Value		153.17	406.95
(c) Income tax on (a)		(5.69)	10.51
Total Other Comprehensive Income for the year (net of tax)		163.77	387.38
Total Comprehensive Income for the year		394.93	7,625.54
Earnings per Equity Share of Face Value of ₹ 10 each :			
(a) Basic (₹ per share)	49	0.33	10.39
(b) Diluted (₹ per share)	49	0.33	10.27
Significant Accounting Policies and Notes are an integral part of the Financial Statements	1 to 50		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(₹ In lakhs)

Balance as at April 01, 2021	Changes in Equity Share Capital during the year due to prior period errors	Restated Balance as at April 01, 2021	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
6,981.84	-	6,981.84	49.54	7,031.38

(₹ In lakhs)

Balance as at April 01, 2020	Changes in Equity Share Capital during the year due to prior period errors	Restated Balance as at April 01, 2020	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
6,951.84	-	6,951.84	30.00	6,981.84

B. OTHER EQUITY

(₹ In lakhs)

Particulars	Share application money pending allotment	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding	General Reserve	Retained Earnings		
Balance at the beginning of the Reporting Period i.e. **As at April 01, 2020**	4.95	2,712.70	737.60	10,814.05	844.44	5,786.29	20,709.18	(3,349.45)	38,259.76
Profit for the year	-	-	-	-	-	-	7,238.16	-	7,238.16
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	-	-	406.95	406.95
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	-	(19.57)	-	(19.57)
Total Comprehensive Income for the year	-	-	-	-	-	-	7,218.59	406.95	7,625.54
Issue of Equity Shares	(4.95)	-	-	-	-	-	-	-	(4.95)
Dividend on Equity Shares	-	-	-	-	-	-	(562.80)	-	(562.80)
Share Application Money received on exercise of Employee Stock Options, pending allotment	1.20	-	-	-	-	-	-	-	1.20
Share based payments to employees	-	-	-	-	109.76	-	-	-	109.76
Employee Stock Options exercised	-	-	-	225.94	(225.94)	-	-	-	-
Unvested Employee Stock Options lapsed	-	-	-	-	(7.96)	-	7.96	-	-
Balance at the end of the Reporting Period i.e. **As at March 31, 2021**	1.20	2,712.70	737.60	11,039.99	720.30	5,786.29	27,372.93	(2,942.50)	**45,428.51**
Balance at the beginning of the Reporting Period i.e. **As at April 01, 2021**	**1.20**	**2,712.70**	**737.60**	**11,039.99**	**720.30**	**5,786.29**	**27,372.93**	**(2,942.50)**	**45,428.51**
Profit for the year	-	-	-	-	-	-	**231.16**	-	**231.16**
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	-	-	**153.17**	**153.17**
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	-	**10.60**	-	**10.60**
Total Comprehensive Income for the year	-	-	-	-	-	-	**241.76**	**153.17**	**394.93**
Issue of Equity Shares	**(1.20)**	-	-	-	-	-	-	-	**(1.20)**
Dividend on Equity Shares	-	-	-	-	-	-	**(525.36)**	-	**(525.36)**
Share Application Money received on exercise of Employee Stock Options, pending allotment	**1.84**	-	-	-	-	-	-	-	**1.84**
Employee Stock Options exercised	-	-	-	**372.92**	**(372.92)**	-	-	-	-
Balance at the end of the Reporting Period i.e. **As at March 31, 2022**	**1.84**	**2,712.70**	**737.60**	**11,412.91**	**347.38**	**5,786.29**	**27,089.33**	**(2,789.33)**	**45,298.72**

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M. S. Gilotra (DIN:00152190)
Managing Director

M.N. Rao (DIN:00027131)
Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**594.62**	10,255.82
Adjustments for :		
Add: Finance Costs	**493.00**	437.42
Loss on Sale / Discard of Property, Plant and Equipment (Net)	**-**	13.53
Exceptional items	**141.66**	-
Employee Benefit Expense at amortised cost	**1.03**	1.12
Unrealised Foreign Exchange Loss (Net)	**0.48**	1.03
Loss on Non-Current Assets held for disposal	**-**	8.01
Share-based Payments to Employees	**-**	109.76
Depreciation and Amortisation Expense	**2,272.28**	2,003.64
	2,908.45	2,574.51
Less: Interest Income	**(715.34)**	(729.69)
Dividend Income	**(0.66)**	-
Profit on Sale of Property, Plant and Equipment (Net)	**(57.98)**	-
Excess Provisions and Trade / Other Payables Written Back	**(50.30)**	(186.59)
Rent concession	**-**	(0.14)
Gain on Termination of Lease	**(0.25)**	(0.02)
	(824.53)	(916.44)
Operating Profit before Working Capital changes	**2,678.54**	11,913.89
Adjustments for increase / decrease in:		
Trade Payables, Financial Liabilities and Other Current Liabilities	**1,584.35**	(1,530.45)
Provisions	**(77.12)**	(4.13)
Long-term Loans, Financial Assets and Other Non-Current Assets	**(112.66)**	31.46
Inventories	**(4,034.82)**	4,368.38
Trade Receivables	**(611.53)**	529.52
Short-term Loans, Financial Assets and Other Current Assets	**39.22**	(371.63)
	(3,212.56)	3,023.15
Cash Generated from / (Used in) Operations	**(534.02)**	14,937.04
Less: Direct Taxes Payments (Net)	**(313.57)**	(1,550.99)
Net Cash Generated from / (Used in) Operating Activities	**(847.59)**	13,386.05
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	**(3,529.48)**	(3,944.47)
Acquisition of Paint Business	**(5,535.73)**	-
Proceeds from Sale of Property, Plant and Equipment	**59.06**	63.92
Advance received against Non-Current Assets held for disposal	**-**	127.34
Decrease / (Increase) in Bank Deposits	**5,726.95**	(8,977.52)
Interest income on Bank Deposits	**789.38**	636.03
Loan repayment received from Subsidiary	**18.68**	10.00
Dividend Income	**0.66**	-
Net Cash used in Investing Activities	**(2,470.48)**	(12,084.70)

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares on exercise of Employee Stock options	**50.18**	26.25
Proceeds from Long-term Borrowings	**308.34**	157.56
Repayment of Long-term Borrowings	**(319.48)**	(332.35)
Proceeds from / (Repayment of) Short-term Borrowings (Net)	**4,063.48**	(555.72)
Payment of Lease Liabilities	**(144.35)**	(148.72)
Finance Costs Paid	**(436.25)**	(300.76)
Dividend Paid	**(525.36)**	(562.80)
Net Cash Generated from / (Used in) Financing Activities	**2,996.56**	(1,716.54)
Net increase in Cash and Cash Equivalents	**(321.51)**	(415.19)
Cash and Cash Equivalents at the beginning of the year	**411.68**	826.87
Cash and Cash Equivalents at the end of the year (Refer Note 2 below)	**90.17**	411.68

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Balances with Banks		
In Current Accounts	**90.17**	411.68
Cash and Cash Equivalents as at the end of the year (Refer Note 9)	**90.17**	411.68

3 **Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activites, to meet the disclosure requirement.

₹ in lakhs

Particulars	**Opening Balance**	**Cash Flows**	**Non Cash Changes**	**Closing Balance**
Short Term Borrowings	**1,277.75**	**4,063.48**	**-**	**5,341.23**
Long Term Borrowings (including Current maturities)	**761.20**	**(11.14)**	**-**	**750.06**

4 Purchase of Property, Plant and Equipment includes addition to Intangible Assets, Intangible Assets under Development and adjusted for movement in Capital Work-in-progress and Capital Advances.

5 Figures in bracket indicates cash outflows.

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M. S. Gilotra (DIN:00152190)
Managing Director

M.N. Rao (DIN:00027131)
Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Company Overview and Significant Accounting Policies:

A Company Overview:

Saurashtra Cement Limited (the Company) is a Public Limited Company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Ranavav, Gujarat, India. The Company is engaged in the business of manufacturing and selling of Cement.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for publication at its meeting held on May 23, 2022.

B Significant Accounting Policies:

1.1 Statement of Compliance:

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act''), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

1.2 Basis of Preparation and Presentation:

a) Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities measured at fair value (Refer Note 1.18 being accounting policy regarding financial instruments
- Assets held for sale - measured at the lower of its carrying amount and fair value less estimated costs to sell
- Employee's Defined Benefit Plan measured as per actuarial valuation
- Assets and liabilities acquired under Business Combination (other than common control Business Combination) measured at fair value

b) Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and all values are rounded to the nearest lakhs, except when otherwise indicated.

c) Classification of Assets and Liabilities into Current/Non-current:

i. The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-current classification.

ii. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non-current classification of its Assets and Liabilities.

iii. An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or

NOTES FORMING PART OF FINANCIAL STATEMENTS

used to settle a liability for at least twelve months after the reporting period. All other assets are classified as Non-current.

iv. A liability is classified as Current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- 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.

v. Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

1.3 Property, Plant and Equipment (PPE):

i. The Company has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and/or any accumulated impairment loss. An item of PPE is recognised as an asset, if 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.

ii. Items such as spare parts, stand-by equipment and servicing equipment are recognised under PPE, if those meet the definition thereof and are material, else, such items are classified as inventory.

iii. The cost comprises of - purchase price (net of subsidy, if any) including import duties, non-recoverable purchase taxes and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

iv. Items of PPE, which are not yet ready to be capable of operating in the manner intended by management are carried at cost (unless impaired) and are disclosed as “Capital Work-in-progress”. Pre-operative Expenditure and cost relating to borrowed funds attributable to the construction or acquisition upto the date asset is ready for use is included under Capital Work-in-Progress. The same is allocated to the respective items of PPE on its completion for satisfactory commercial commencement.

1.4 Depreciation / Amortisation:

i. Depreciation on PPE is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation (other than Jetty and Premium on Leasehold Land) is provided on the “Straight-line Method” as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The residual value and the useful life of an asset is reviewed at least at each financial year-end and if expectations differ from previous estimates, the change is recognised in the Statement of Profit and Loss with appropriate disclosure thereof.

ii. Where the cost of a part of the asset which is significant to the total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, the Company has determined the useful life of that significant part separately (“Component Accounting”). However, if the useful life of the identified part is higher than the useful life of the related items of PPE, the life of such identified part is restricted upto the life of the related items of PPE. The Company has adopted such basis for the purpose of providing depreciation as per the useful life of tangible items of PPE.

NOTES FORMING PART OF FINANCIAL STATEMENTS

iii. Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and from the date, the asset is derecognised.

iv. Cost of Leasehold Land of material amount is amortised on a Straight-line basis over its lease period.

1.5 Non-current Assets held for sale:

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

1.6 Intangible Assets:

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life of Intangible assets is mentioned below:

Trademarks - 10 years

Computer Software - 3 years

Licenses and Permissions - 3 years

Trademarks with infinite life and Goodwill arising on Business Combination are tested for impairment at each Balance Sheet date.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

1.7 Leases:

The Company's leased assets consist of leases for 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 as per the terms of the lease.

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 subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1.8 Impairment of Non-financial Assets:

i. The Company, at the end of each reporting period, assesses the carrying amounts of Non-financial Assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of that asset is estimated in order to determine the extent of the impairment loss, if any.

ii. Recoverable amount is the higher of fair value less costs of disposal and value in use. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

iii. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

iv. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories:

Inventories are valued as follows:

i. **Raw materials, Fuels, Stores and spare parts and Packing materials -** At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.

ii. **Work-in-progress (WIP), Finished goods and Stock-in-trade -** At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

1.10 Revenue and Income Recognition:

A Revenue from Contracts with Customers

i. Revenue from contracts with customers for sale of goods is recognised when the Company satisfies performance obligation by transferring promised goods to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt.

Revenue is measured at the amount of transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, incentives and applicable Goods and Services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales rebates, discounts and incentives.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognized at the time of the sale. Revenue is recognized when the points are redeemed or on expiry.

ii. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

B Other Operating Revenue - Export entitlement

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

C Income Recognition

i. Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer

ii. Dividend income from investments is recognised when the Company's right to receive dividend is established.

iii. Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate.

1.11 Foreign Currency Transactions:

i. Transactions in foreign currency (Monetary or Non-monetary items) are recorded at the exchange rate prevailing on the date of the transaction.

ii. Monetary items (i.e. receivables, payables, loans etc.), which are denominated in foreign currency are translated at the spot rates of exchange of functional currency at the reporting date.

iii. Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

iv. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the Statement of Profit and Loss for the period in which they arise.

NOTES FORMING PART OF FINANCIAL STATEMENTS

1.12 Employee share based payments:

i. Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

ii. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

iii. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

iv. The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share.

1.13 Employee Benefits:

i. **Defined contribution plan:** The Company's superannuation scheme and state governed provident fund scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the year in which the employees render the related service.

ii. **Defined benefit plan - Gratuity:** In accordance with applicable Indian Laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Actuary. The Company has an employees gratuity fund managed by the Life Insurance Corporation of India ("LIC").

Remeasurement comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), is reflected immediately in the Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement is not reclassified to Statement of Profit and Loss in subsequent periods. Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date when the Company recognises related restructuring costs

iii. **Compensated Absences:** As per policy of the Company, it allows for the encashment of absence or absence with pay to its employees. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the year in which the employees render the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an Actuarial valuation. Actuarial gains/ losses are immediately taken to the Statement of Profit and Loss and are not deferred.

iv. **Other short term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered and is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

NOTES FORMING PART OF FINANCIAL STATEMENTS

1.14 Borrowing Costs:

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalised, net of income earned on temporary investments from such borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss as expense in the year in which the same are incurred.

1.15 Segment Reporting:

Primary Segment is identified based on the nature of products, the different risks and returns and the internal business reporting system. Secondary Segment is identified based on the geographic location of its customers.

1.16 Taxation:

i. **Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period in accordance with the provisions of the Income-tax Act, 1961.

ii. **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Tax relating to items recognised in equity or OCI is recognised directly in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

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

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

The Company offsets on a year on year basis, the deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets and liabilities and where it intends to settle such assets and liabilities on a net basis.

1.17 Provisions, Contingent Liabilities and Contingent Assets:

i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows (when the effect of the time value of money is material).

NOTES FORMING PART OF FINANCIAL STATEMENTS

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

ii. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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.

iii. Contingent assets are neither recognised nor disclosed.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

1.18 Financial Instruments:

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

ii. Financial assets:

Initial recognition and measurement:

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

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

- Financial Assets at amortised cost
- Equity investments measured at fair value through Other Comprehensive Income (FVTOCI)

iii. Debt instruments at amortised cost:

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and loss. The losses arising from impairment are recognised in the Statement of Profit and loss.

iv. Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

NOTES FORMING PART OF FINANCIAL STATEMENTS

v. Derecognition of financial asset:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

vi. Investment in Subsidiary:

The Company's investment in its Subsidiary is carried at cost less provision for impairment.

vii. Impairment of financial assets:

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Company's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific identification. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

viii. Financial liabilities:

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

ix. Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition

NOTES FORMING PART OF FINANCIAL STATEMENTS

of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

x. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.19 Fair Value Measurement:

i. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

ii. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use

iv. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
- Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.

v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.20 Cash and Cash Equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with banks with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value.

1.21 Business Combination:

Business combinations (other than common control business combinations) are accounted for using the acquisition method. The consideration transferred by the Company to obtain control of a business is measured at fair value at acquisition date and includes the fair value of any contingent consideration.

Acquisition related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. However, deferred tax asset or liability and any asset or liability relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Company after assessing fair value of all identified assets and liabilities, records the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity.

1.22 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

1.23 Earnings Per Share:

i. Basic Earnings per share (EPS) is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

ii. Diluted EPS is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders adjusted for the effects of potential dilution of equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

1.24 Recent pronouncements:

The Ministry of Corporate Affairs (“MCA”) through a notification of March 23, 2022, introduced the Companies (Indian Accounting Standards) Amendment Rules, 2022 to amend the Companies (Indian Accounting Standards) Rules, 2015 which come into force with effect from April 1, 2022. The following are the amendments:

Ind AS 103 - Business Combination:

The amendment specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

NOTES FORMING PART OF FINANCIAL STATEMENTS

For example, costs the acquirer expects but is not obliged to incur in the future to effect its plan to exit an activity of an acquiree or to terminate the employment of or relocate an acquiree's employees are not liabilities at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method and instead, the acquirer recognises those costs in its post combination financial statements in accordance with other Ind AS.

This amendment does not significantly change the requirements of Ind AS 103 and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Financial Instruments:

The amendment clarifies that while performing the '10 percent test' for derecognition of a financial liability, for computing the discounted present value of the cash flows under the new terms, for determining fees paid net of fees received, a borrower should include only fees paid or received between borrower and lender, including fees paid or received by either the borrower or lender on the other's behalf.

This amendment is under Annual Improvements to Ind AS (2021). The Company does not expect the above amendment/improvement to have any significant impact in its financial statements.

Ind AS 16 - Property Plant and equipment:

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, is not to be recognised in the profit or loss but is to be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect this amendment to have any significant impact on recognition of property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both, the incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment also provides for transitional provisions for contracts for which the entity has not yet fulfilled its obligations. The Company does not expect this amendment to have any significant impact in its financial statements.

The amendments to Ind AS 101 - First Time Adoption and Ind AS 41 – Agriculture have not been specified here since both Standards are presently not applicable to the Company.

C Critical accounting judgements, estimates and assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES FORMING PART OF FINANCIAL STATEMENTS

i. **Useful Lives of Property, Plant and Equipment:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

ii. **Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

iii. **Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iv. **Defined benefit plans:**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. **Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take into account of changing facts and circumstances.

vi. **Share-based payments:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2 Property, Plant and Equipment, etc.

₹ in lakhs

	Gross Block					Depreciation, Amortisation and Impairment				Net Block	
	As at April 01, 2021	Additions / Adjustments	Acquisition through Business Combination	Deductions / Adjustments	As at March 31, 2022	As at April 01, 2021	For the Year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment											
Freehold land	11,236.77	-	-	-	11,236.77	-	-	-	-	11,236.77	11,236.77
Leasehold land [Refer Note (i) and (ii)]	0.09	-	930.48	-	930.57	-	12.15	-	12.15	918.42	0.09
Buildings and Jetty [Refer Note (iii)]	8,036.84	1.36	1,891.55	-	9,929.75	3,993.53	235.27	-	4,228.80	5,700.95	4,043.31
Plant and equipments	47,259.39	1,476.17	139.19	80.93	48,793.82	30,751.88	1,313.34	76.87	31,988.35	16,805.47	16,507.51
Furniture and Fixtures	2,179.38	164.60	0.01	5.87	2,338.12	1,180.85	144.92	5.74	1,320.03	1,018.09	998.53
Vehicles	2,254.05	459.16	0.94	139.94	2,574.21	1,195.75	202.41	84.35	1,313.81	1,260.40	1,058.30
Office equipments	1,299.10	285.62	3.48	22.96	1,565.24	886.25	156.30	21.25	1,021.30	543.94	412.85
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	-	-	256.80	151.82	8.60	-	160.42	96.38	104.98
Total	72,522.42	2,386.91	2,965.65	249.70	77,625.28	38,160.08	2,072.99	188.21	40,044.86	37,580.42	34,362.34
Capital Work-in-Progress [Refer Note (iv), (vi), (vii) and (viii)]	10,576.90	1,178.10	-	406.45	11,348.55	4,597.78	-	-	4,597.78	6,750.77	5,979.12
Right of Use Assets [Refer Note 36]	394.63	80.29	-	169.09	305.83	241.39	129.23	165.41	205.21	100.62	153.24
Goodwill	-	-	222.47	-	222.47	-	-	-	-	222.47	-
Intangible Assets Other than internally generated											
Trademarks	-	-	2,163.11	-	2,163.11	-	31.59	-	31.59	2,131.52	-
Computer softwares	249.42	18.13	61.50	-	329.05	241.81	27.18	-	268.99	60.06	7.61
Licenses and Permissions	-	-	123.00	-	123.00	-	11.29	-	11.29	111.71	-
Total	249.42	18.13	2,347.61	-	2,615.16	241.81	70.06	-	311.87	2,303.29	7.61
Intangible Assets under Development [Refer Note (ix)]	76.75	450.49	-	-	527.24	-	-	-	-	527.24	76.75
Grand Total	83,820.12	4,113.92	5,535.73	825.24	92,644.53	43,241.06	2,272.28	353.62	45,159.72	47,484.81	40,579.06

NOTES FORMING PART OF FINANCIAL STATEMENTS

2 Property, Plant and Equipment, etc.

₹ in lakhs

	Gross Block				Depreciation, Amortisation and Impairment				Net Block
	As at April 01, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021
Property, Plant and Equipment									
Freehold land	11,236.77	-	-	11,236.77	-	-	-	-	11,236.77
Leasehold land [Refer Note (i)]	0.09	-	-	0.09	-	-	-	-	0.09
Buildings and Jetty [Refer Note (iii)]	8,035.74	1.10	-	8,036.84	3,841.71	151.82	-	3,993.53	4,043.31
Plant and equipments	46,424.79	887.41	52.81	47,259.39	29,550.13	1,245.68	43.93	30,751.88	16,507.51
Furniture and Fixtures	2,045.71	151.60	17.93	2,179.38	1,080.03	116.74	15.92	1,180.85	998.53
Vehicles [Refer Note (v)]	2,277.03	328.37	351.35	2,254.05	1,245.52	196.22	245.99	1,195.75	1,058.30
Office equipments	1,130.55	181.57	13.02	1,299.10	756.07	141.91	11.73	886.25	412.85
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	-	256.80	143.22	8.60	-	151.82	104.98
Total	71,407.48	1,550.05	435.11	72,522.42	36,616.68	1,860.97	317.57	38,160.08	34,362.34
Capital Work-in-Progress [Refer Note (iv), (vi), (vii) and (viii)]	8,391.56	2,383.21	197.87	10,576.90	4,597.78	-	-	4,597.78	5,979.12
Right of Use Assets [Refer Note 36]	397.47	4.09	6.93	394.63	111.77	136.16	6.54	241.39	153.24
Intangible Assets Other than internally generated									
Computer softwares	250.81	0.43	1.82	249.42	237.03	6.51	1.73	241.81	7.61
Intangible Assets under Development [Refer Note (ix)]	-	76.75	-	76.75	-	-	-	-	76.75
Grand Total	80,447.32	4,014.53	641.73	83,820.12	41,563.26	2,003.64	325.84	43,241.06	40,579.06

NOTES FORMING PART OF FINANCIAL STATEMENTS

i. Besides the land specified above, the Company holds other leasehold land for which only ground rent is payable.

ii. Details of Immovable Properties whose Title deeds are not held in the name of the Company:

Description of item of property	Gross carrying amount ₹ in lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in name of the company
Leasehold Land admeasuring 12455 sq. mt. at Gotan, Dist. Nagaur, Rajasthan.	122.10	M/s Snowcem Paints Private Limited	No	May 01, 2021	Approval for transfer of land from District Collector, Nagaur was pending. Transfer deed is executed and registered on April 21, 2022.

iii. Buildings and Jetty include a Private Jetty having a gross block of ₹ 2,411.45 lakhs (net block ₹ 120.57 lakhs), constructed by the Company under the license to use agreement with Gujarat Maritime Board (GMB) on the land provided by them. The present agreement is for 10 years effective from November 01, 2015 and valid upto October 31, 2025.

iv. Capital Work-in-progress includes amount of ₹ 94.78 lakhs (Previous Year: ₹ 2.78 lakhs) towards improvement on Private Jetty, referred above.

v. The deductions under the gross block of Vehicles includes an amount of ₹ Nil (Previous Year: ₹ 89.19 lakhs) in respect of certain vehicles held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell. In this respect, loss of ₹ Nil (Previous Year: ₹ 8.01 lakhs) has been recognised in the Statement of Profit and Loss under Other Expenses - Miscellaneous Expenses.

vi. **Impairment of Assets:**

a. The Company had incurred an aggregate sum of ₹ 8,107.17 lakhs (Previous Year: ₹ 8,107.17 lakhs) towards Expansion Project Assets and shown the same under Capital Work-in-progress (CWIP). The expenditure includes cost of imported plant purchased (including related stores and spares), civil work carried out and pre-operative expenses (including interest capitalised). During earlier years, spares of the value of ₹ 215.07 lakhs were consumed resulting to closing balance of CWIP at ₹ 7,892.10 lakhs.

b. In the year 2005, due to several adversities, the project was suspended. However, the Company intends to install the assets at a later date, depending on market conditions. The fair value of assets is estimated at ₹ 4,473.46 lakhs based on valuation report of the registered valuer. This value is higher than the carrying value of the assets after considering impairment loss of ₹ 4,597.78 lakhs as at March 31, 2021. In view of the same, no further provision for impairment has been made during the current financial year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

vii. **Capital Work-in-Progress: Ageing**

As at March 31, 2022 **₹ in lakhs**

Particulars	**Amount in Capital Work-in-Progress for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Improvements within Cement Plant	**2,283.70**	**840.98**	**267.23**	**64.54**	**3,456.45**
Projects temporarily suspended [(Refer Note (vi)]	**-**	**-**	**-**	**3,294.32**	**3,294.32**
	2,283.70	**840.98**	**267.23**	**3,358.86**	**6,750.77**

As at March 31, 2021 ₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	1,585.43	985.07	96.80	17.50	2,684.80
Projects temporarily suspended [(Refer Note (vi)]	-	-	-	3,294.32	3,294.32
	1,585.43	985.07	96.80	3,311.82	5,979.12

viii. **Capital Work-in-Progress: Completion Schedule**

Capital-work-in progress, whose completion is overdue compared to its original plan.

As at March 31, 2022 **₹ in lakhs**

Particulars	**To be completed in**			
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**
Improvements within Cement Plant				
Installation of Air Cooled Condenser for Thermal Power Plant (TPP)	**1,365.19**	-	-	-
Projects temporarily suspended				
Expansion Project [(Refer Note (vi)]	-	-	**3,294.32**	-

As at March 31, 2021 **₹ in lakhs**

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Improvements within Cement Plant				
Installation of Air Cooled Condenser for Thermal Power Plant (TPP)	-	1,250.08	-	-
Projects temporarily suspended				
Expansion Project [(Refer Note (vi)]	-	-	-	3,294.32

NOTES FORMING PART OF FINANCIAL STATEMENTS

ix. **Intangible Assets under Development: Ageing**

As at March 31, 2022 **₹ in lakhs**

Particulars	**Amount in Intangible Assets under Development for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress: ERP Implementation	**450.49**	**76.75**	**-**	**-**	**527.24**
	450.49	**76.75**	**-**	**-**	**527.24**

As at March 31, 2021 ₹ in lakhs

	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years Particulars	2-3 years	More than 3 years	
Projects in progress: ERP Implementation	76.75	-	-	-	76.75
	76.75	-	-	-	76.75

x. Refer Note 16.1 and 19.1 for information on Property, Plant and Equipment hypothecated as security.

NOTES FORMING PART OF FINANCIAL STATEMENTS

				As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
3	**Non-current Investments**				
a)	**Investments measured at Cost:**				
	In Equity Instruments of Subsidiaries				
	Unquoted (Fully paid equity shares)				
Face Value ₹ per share	**Investee company**	**No. of Shares**			
		Current Year	Previous Year		
10	Agrima Consultants International Limited	**404,100**	404,100	**180.36**	180.36
				180.36	180.36
	Less: Provision for impairment in value			**180.36**	180.36
				-	-
b)	**Investments measured at Fair Value through Other Comprehensive Income:**				
	In Equity Instruments of Others				
i)	Quoted (Fully paid equity shares)				
Face Value ₹ per share	**Investee company**	**No. of Shares**			
		Current Year	Previous Year		
10	MTZ (India) Limited	**870,500**	870,500	**0.02**	0.02
10	MTZ Polyfilms Limited	**3,000,000**	3,000,000	**0.10**	0.10
2	Bank of Baroda	**22**	22	**0.02**	0.02
10	Gujarat Sidhee Cement Limited	**2,285,912**	2,285,912	**912.08**	758.92
10	ACC Limited	**1**	1	**0.02**	0.02
2	Ambuja Cements Limited *	**1**	1	**-**	-
10	India Cement Limited *	**1**	1	**-**	-
5	JK Lakshmi Cements Limited	**1**	1	**0.01**	-
10	Mangalam Cement Limited *	**1**	1	**-**	-
10	Prism Johnson Limited *	**1**	1	**-**	-
10	Shree Digvijay Cement Co. Limited *	**1**	1	**-**	-
10	Ultratech Cement Limited	**1**	1	**0.07**	0.07
10	Zuari Agro Chemicals Limited *	**1**	1	**-**	-
10	Zuari Global Limited *	**1**	1	**-**	-
				912.32	759.15
ii)	Unquoted (Fully paid equity shares)				
0.1	Chennai Super Kings Cricket Limited *	**1**	1	**-**	-
50	Rajkot Nagrik Sahakari Bank Limited	**2,001**	2,001	**1.00**	1.00
10	Saraswat Co-op Bank Limited	**2,500**	2,500	**0.25**	0.25
				1.25	1.25
	* Each investment is less than ₹ 0.01 lakhs			**913.57**	760.40
Aggregate Carrying Value of:					
	Quoted investments			**912.32**	759.15
	Unquoted investments			**1.25**	1.25
				913.57	760.40
Aggregate Market Value of quoted investments				**912.32**	759.15

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
4	**Loans**		
	Considered Good - Unsecured		
	Loans to related party [Refer Note 4.1, 4.2, 4.3 and 39.2(B)(i)(a)]	-	127.00
	Staff Loans	**8.50**	4.94
		8.50	131.94
4.1	**Disclosure as per Regulations 34(3) and 53(f) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**		
	a. Loans and Advances in the nature of loans to subsidiary company:		
	Name of the Subsidiary Company		
	Agrima Consultants International Limited	-	127.00
	b. Maximum amount outstanding during the year	**127.00**	137.00
	c. The loanee has not made any investment in the shares of the Company		

			For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
4.2	**Information pursuant to Section 186(4) of the Companies Act, 2013**			
	a. Particulars of Loans given by Company			
	Name of the Subsidiary Company	**Rate of interest**		
	Agrima Consultants International Ltd.	9% p.a.	-	12.03
	- The loans had been given for business activities of the subsidiary company.			
	b. Particulars of Investments - Refer Note 3 on Non-current Investments.			
	c. There is no guarantee given or security provided by the Company.			

4.3 During the current year, the Company has written off outstanding balance of Loan given to subsidiary company and interest accrued on the same amounting to ₹ 108.32 lakhs and ₹ 33.33 lakhs, respectively as the subsidiary company does not have regular income and funds to repay loan. (Refer Note 33)

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
5	**Other Financial Assets**		
	Security Deposits		
	For supply of Power - credit impaired	**224.27**	224.27
	Others	**201.69**	88.96
		425.96	313.23
	Less : Provision for impairment	**224.27**	224.27
	Fixed Deposits with Bank with maturity greater than 12 months	**201.69**	88.96
	Kept as Margin Money against Guarantees	-	50.00
		201.69	138.96

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
6	**Other Non-current Assets**		
	Capital Advances	**1,469.47**	1,567.17
	Advances other than Capital Advances		
	Taxes Paid (Net of Provision of ₹ 110.40 lakhs, Previous Year: ₹ Nil)	**769.89**	661.06
	Pre-deposit Balances with Statutory / Government Authorities against appeals	**138.13**	137.68
	Prepaid Expenses	**16.87**	21.04
		2,394.36	2,386.95

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
7	**Inventories**		
	Raw Materials	**1,333.15**	632.59
	Packing Materials	**370.13**	226.99
	Work-in-progress	**2,071.44**	457.34
	Finished Goods	**1,169.00**	615.94
	Fuels (includes in transit of ₹ Nil, Previous Year: ₹ 1,231.03 lakhs)	**3,454.59**	2,704.56
	Stores and Spare Parts (includes in transit of ₹ 30.76 lakhs, Previous Year: ₹ Nil)	**1,233.86**	959.93
		9,632.17	5,597.35

The cost of inventories recognised as an expense during the year is disclosed in Notes 27, 28, 29 and 32.

There has been no write down of inventory or reversal of such write down in current and previous year.

For mode of valuation of inventories : Refer Note 1.9

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
8	**Trade Receivables**		
	Considered Good - Unsecured		
	Amounts Receivable from a related party [Refer Note 39.2(B)(iii)]	**-**	28.98
	Others	**3,513.37**	2,872.86
	Trade Receivables - credit impaired	**13.74**	13.74
		3,527.11	2,915.58
	Less : Provision for impairment	**13.74**	13.74
		3,513.37	2,901.84

NOTES FORMING PART OF FINANCIAL STATEMENTS

8.1 Trade Receivables: Ageing

As at March 31, 2022 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured							
Undisputed	1,250.30	2,234.25	7.18	4.86	-	-	3,496.59
Disputed	-	-	-	-	0.03	16.75	16.78
Trade Receivables - credit impaired							
Undisputed	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	13.74	13.74
Less : Provision for impairment	-	-	-	-	-	(13.74)	(13.74)
	1,250.30	2,234.25	7.18	4.86	0.03	16.75	3,513.37

As at March 31, 2021 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured							
Undisputed	867.28	1,998.19	7.43	7.58	2.08	-	2,882.56
Disputed	-	-	-	0.03	15.84	3.41	19.28
Trade Receivables - credit impaired							
Undisputed	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	13.74	13.74
Less : Provision for impairment	-	-	-	-	-	(13.74)	(13.74)
	867.28	1,998.19	7.43	7.61	17.92	3.41	2,901.84

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
9 Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	**90.17**	411.68
	90.17	411.68

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
10 Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks (Maturity below 12 months from the date of Balance Sheet)		
Kept as Margin Money against Guarantees and Letter of Credit	**1,271.40**	4,425.08
Kept as Security against Overdraft facilities (Refer Note 19.1)	**3,706.00**	3,733.74
Others	**7,716.47**	10,212.00
	12,693.87	18,370.82
Earmarked Balances		
For Unpaid Dividend and Redemption of Preference Shares	**24.03**	22.38
	24.03	22.38
	12,717.90	18,393.20

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
11 Loans		
Considered Good - Unsecured		
Staff Loans	**6.14**	4.65
	6.14	4.65

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
12 Other Financial Assets		
Interest accrued on Fixed Deposits	**168.63**	261.93
Interest accrued on Loans to related party [Refer Note 38.2(B)(i)(b)]	-	33.33
Export Benefits Receivable	**7.28**	-
Income Receivable	**4.68**	2.27
	180.59	297.53

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
13 Other Current Assets		
Considered Good - Unsecured		
Advances		
Balances with Statutory / Government Authorities	**304.96**	213.18
Advances Against Purchase of Raw Materials, Stores and Spares	**346.90**	499.35
Prepaid Expenses	**163.58**	171.95
Travelling Advance to a Director [Refer Note 39.2(B)(ii)(c)]	-	2.67
Others	**143.52**	122.69
Non-current Assets held for Disposal [Refer Note 2(v)]	-	66.77
	958.96	1,076.61
Considered Doubtful		
Advances Against Purchase of Stores and Spares	**24.46**	24.46
	983.42	1,101.07
Less : Provision for Doubtful advances	**24.46**	24.46
	958.96	1,076.61

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
14 Equity Share Capital				
Authorised				
Equity Shares of ₹ 10 par value	**229,600,000**	**22,960.00**	229,600,000	22,960.00
		22,960.00		22,960.00
Issued				
Equity Shares of ₹ 10 par value	**70,329,057**	**7,032.91**	69,833,644	6,983.36
		7,032.91		6,983.36
Subscribed				
Equity Shares of ₹ 10 par value				
Subscribed and Fully Paid Up	**70,313,788**	**7,031.38**	69,818,375	6,981.84
Equity Shares - forfeited	**15,269**	**0.31**	15,269	0.31
(₹ 2 per share paid up)		**7,031.69**		6,982.15

14.1 Reconciliation of the number of shares outstanding and amount of share capital

	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares of ₹ 10 par value				
At the beginning of the year	**69,818,375**	**6,981.84**	69,518,449	6,951.84
Shares issued during the year on exercise of employee stock options	**495,413**	**49.54**	299,926	30.00
At the end of the year	**70,313,788**	**7,031.38**	69,818,375	6,981.84

14.2 Rights, Preferences and Restrictions

Equity Shares

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

ii. The Company declares and pays dividend in Indian rupees. The final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.

iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. At present, there is no outstanding Preference Shares.

iv. In respect of share based payments granted to employees (Employee Stock Options), refer Note 42.

14.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	% to total shares	Numbers	% to total shares
Equity Shares				
Villa Trading Company Private Limited #	**-**	**-**	13,658,167	19.56%
Gujarat Sidhee Cement Limited #	**13,658,267**	**19.42%**	100	0.00%
Parsec Enterprises Private Limited *	**-**	**-**	13,538,370	19.39%
Omna Enterprises LLP *	**10,522,431**	**14.96%**	-	-
Mehta Investments Mauritius Limited *	**20,190,939**	**28.72%**	17,175,000	24.60%

NOTES FORMING PART OF FINANCIAL STATEMENTS

14.4 Details of shares held by the Promoters

Sr. No.	Name of Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
		Numbers	% to total shares	Numbers	% to total shares	
i.	Mahendra N Mehta	28,480	0.04	28,480	0.04	-
ii.	Sunayanaben M Mehta	6,000	0.01	6,000	0.01	-
iii.	Jay M Mehta	14,630	0.02	14,630	0.02	-
iv.	Juhi Chawla Mehta	24,650	0.04	24,650	0.04	-
v.	Radha Mahendra Mehta	5,100	0.01	5,100	0.01	-
vi.	Arjun Jay Mehta	1,656,712	2.36	1,656,712	2.37	(0.01)
vii.	Jahnavi Jay Mehta	1,656,713	2.36	1,656,713	2.37	(0.01)
viii.	Dhirendra N Mehta (Deceased)	44,050	0.06	44,050	0.06	-
ix.	Medhavini D Mehta	90,634	0.13	90,634	0.13	-
x.	Hemang D Mehta	51,534	0.07	51,534	0.07	-
xi.	Umade D Mehta	26,000	0.04	26,000	0.04	-
xii.	Kamalakshi D Mehta	18,400	0.03	18,400	0.03	-
xiii.	Anisha Hemang Mehta	100	0.00	100	0.00	-
xiv.	Devika Kallergis	100	0.00	100	0.00	-
xv.	Nirmala Ranvir Khatau	12,935	0.02	12,935	0.02	-
xvi.	Anandita Sudhir Shah	84,415	0.12	84,415	0.12	-
xvii.	Trishala Vikas Tandon	84,415	0.12	84,415	0.12	-
xviii.	Subash Chandra Khanna	130,000	0.18	130,000	0.19	-
xix.	Promilla Khanna	650,000	0.92	650,000	0.93	(0.01)
xx.	Arja Shridhar	200,000	0.28	200,000	0.29	-
xxi.	Mehta Investments Mauritius Limited *	20,190,939	28.72	17,175,000	24.60	4.12
xxii.	The Mehta International Ltd	3,750	0.01	3,750	0.01	-
xxiii.	The Mehta International Mauritius Limited	1,773,599	2.52	1,773,599	2.54	(0.02)
xxiv.	Pallor Trading Company Private Limited	25,136	0.04	25,136	0.04	-
xxv.	Sameta Exports Private Limited +	-	0.00	123,531	0.18	(0.18)
xxvi.	Parsec Enterprises Private Limited *	-	0.00	13,538,370	19.39	(19.39)
xxvii.	Galaxy Technologies Private Limited +	123,531	0.18	-	-	0.18
xxviii.	Omna Enterprises LLP *	10,522,431	14.96	-	-	14.96
xxix.	Villa Trading Company Private Limited #	-	-	13,658,167	19.56	(19.56)
xxx.	Gujarat Sidhee Cement Limited #	13,658,267	19.42	100	0.00	19.42
		51,082,521	72.65	51,082,521	73.16	(0.49)

* Shares held by Parsec Enterprises Private Limited stands cancelled and equivalent number of shares have been issued to their shareholders, viz. Mehta Investments Mauritius Limited and Omna Enterprises LLP, pursuant to merger of Parsec Enterprises Private Limited with the Company vide NCLT Order dated April 26, 2021.

\+ Shares held by Sameta Exports Private Limited are transferred to Galaxy Technologies Private Limited, pursuant to their merger vide NCLT Order dated October 26, 2020.

\# Shares held by Villa Trading Company Private Limited are transferred to Gujarat Sidhee Cement Limited, pursuant to their merger vide NCLT Order dated June 22, 2021.

NOTES FORMING PART OF FINANCIAL STATEMENTS

14.5 Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options	443,689	44.37	945,463	94.55

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
15	**Other Equity**		
	i. Share Application Money pending allotment	1.84	1.20
	ii. Reserves and Surplus		
	a. Capital Reserve	2,712.70	2,712.70
	b. Capital Redemption Reserve	737.60	737.60
	c. Securities Premium Account		
	Balance as at the beginning of the year	11,039.99	10,814.05
	Add: Exercise of Employee Stock Options	372.92	225.94
		11,412.91	11,039.99
	d. Share Options Outstanding		
	Balance as at the beginning of the year	720.30	844.44
	Add: Share based payments to employees	-	109.76
	Less: Employee Stock Options Exercised	(372.92)	(225.94)
	Less: Vested Employee Stock Options Lapsed	-	(7.96)
		347.38	720.30
	e. General Reserve	5,786.29	5,786.29
	f. Retained Earnings		
	Balance as at the beginning of the year	27,372.93	20,709.18
	Add: Profit for the year	231.16	7,238.16
	Add/(Less): Remeasurement gain / (loss) on defined benefit plan (net of tax)	10.60	(19.57)
	Add:Vested Employee Stock Options Lapsed	-	7.96
	Less: Appropriations		
	Dividend on Equity Shares	525.36	562.80
		27,089.33	27,372.93
	iii. Equity Instruments through Other Comprehensive Income		
	Balance as at the beginning of the year	(2,942.50)	(3,349.45)
	Add/(Less): Effect of measuring Equity Instruments on Fair Value	153.17	406.95
		(2,789.33)	(2,942.50)
		45,298.72	45,428.51

The description of the nature and purpose of each reserve within equity is as follows :

a. **Share application money pending allotment**

It represents share application money received from employees on exercise of stock options for which allotment of 18,361 equity shares (Previous Year: 12,000 equity shares) is pending as at the year end.

b. **Capital Reserve**

It represents reserve created on capital receipt.

c. **Capital Redemption Reserve**

This reserve was created on redemption of Preference Shares by transfer from General Reserve.

NOTES FORMING PART OF FINANCIAL STATEMENTS

d. **Securities Premium**

It represents the amount of premium over face value on shares issued.

e. **Share Options Outstanding**

The Company has Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 42 for further details of the plan.

f. **General Reserve**

The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. General reserve is a free reserve available to the Company.

g. **Retained Earnings**

Retained Earnings are the profits that the Company has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

h. **Equity Instruments through Other Comprehensive Income**

This represents cumulative gains/(losses) arising on the measurement of equity shares (other than subsidiaries and associate) at fair value through other comprehensive income.

	Non-Current		**Current maturities of Long-term borrowings ***	
	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
16 Non-Current Borrowings				
Secured				
Term Loans				
From Banks	**407.25**	426.92	**307.58**	284.29
From Others	**22.97**	35.23	**12.26**	14.76
	430.22	462.15	**319.84**	299.05

* Amount disclosed under the head 'Borrowings' (Note 19).

16.1 A. **Security and Repayment Terms:**

I. Term Loans are repayable in 36 to 60 equated monthly instalments carrying varied interest from 7% to 9.1% p.a. These loans are secured by hypothecation of vehicles and equipment financed there under.

ii. The Company has registered charges which are required to be registered with the Registrar of Companies (ROC) within the time limit except charge in respect of vehicle loans taken from HDFC Bank Limited and BMW Financial Services India Private Limited ('the lenders') for which the lenders did not require the Company to create the charge as vehicles were hypothecated in favour of the lenders with Regional Transport Office (RTO) as per the provisions of The Motor Vehicles Act, 1988. The principal amount of such loans as continued is ₹ 349.92 lakhs, the balance of which is ₹ 163.64 lakhs as at March 31, 2022.

The Company has registered satisfaction of charges which are required to be registered with the Registrar of Companies (ROC) within the time limit except satisfaction of charge in respect of loans taken from SREI Infrastructure Finance Limited (""the lender"") due to non receipt of No Objection Certificate from the lender. The Company has repaid entire dues and there is no outstanding balance to the lender as at March 31, 2022.

B. The Company has utilised funds raised from borrowings from banks and financial institutions for the specific purposes for which they were taken.

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
17 Provisions		
For Employee Benefits (Refer Note 37)		
Gratuity	**732.00**	967.14
Compensated absences	**322.13**	315.53
	1,054.13	1,282.67

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
18 Deferred Tax Liabilities (net)		
Deferred Tax Liabilities (Refer Note 41)	**6,672.37**	6,357.88
Deferred Tax Assets (Refer Note 41)	**(4,706.35)**	(4,652.16)
	1,966.02	1,705.72

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
19 Short-term Borrowings		
Secured		
Loans Repayable on Demand from Banks		
Cash Credit	**759.69**	999.98
Working Capital Demand Loan	**2,000.00**	-
Overdraft	**2,581.54**	277.77
Current Maturities of Long-term borrowings (Refer Note 16.1)		
Term Loans		
From Banks	**307.58**	284.29
From Others	**12.26**	14.76
	319.84	299.05
	5,661.07	1,576.80

19.1 Security:

Cash Credit / Working Capital Demand Loan

The Working Capital facilities are secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future. Cash Credit and Working Capital Demand Loan carries interest rate @ 8.20% p.a. and 5.15% respectively. It is also secured by Equitable Mortgage of Factory Land & Building and personal guarantee of one Director of the Company.

Overdraft facilities

Overdraft from bank is secured against lien of deposits with bank of ₹ 3,706.00 lakhs (Previous Year: ₹ 3,733.74 lakhs) - Refer Note 10.

NOTES FORMING PART OF FINANCIAL STATEMENTS

19.2 Disclosure of borrowings obtained on the basis of security of current assets

The Company has Working Capital limit of ₹ 7,500 lakhs for its cement plant comprising of fund-based limit of ₹ 3,000 lakhs and non-fund based limit of ₹ 4,500 lakhs. For the said fund-based limit, the Stock and Debtors statement submitted at the quarter end are in agreement with the books of account other than those as set out below.

(₹ in lakhs)

Quarter ended	Name of bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
FY 2021-22						
June 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**10,062.88**	**9,551.86**	**(511.02)**	i. Receivable from related party, debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 214.98 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**8,625.81**	**8,297.44**	**(328.37)**	i. Debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 87.37 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.

NOTES FORMING PART OF FINANCIAL STATEMENTS

December 31, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**14,321.85**	**10,456.91**	**(3,864.94)**	i. Stock under letter of credit, debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 3,870.45 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
March 31, 2022	HDFC Bank Limited	Inventories and Trade Receivables	**11,987.52**	**12,041.07**	**53.55**	i. Debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 75.25 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.
FY 2020-21 *						
March 31, 2021	HDFC Bank Limited	Inventories and Trade Receivables	8,499.19	6,802.60	(1,696.59)	i. Stock in transit, receivable from related party, debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 1,776.72 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.

* The Working Capital facility was sanctioned in the month of September 2020. The first statement was submitted for the month of February 2021

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
20	**Trade Payables**		
	Due to Related Party [Refer Note 39.2(B)(iii)]	**10.79**	-
	Due to Micro and Small enterprises	**127.10**	85.41
	Due to Others	**4,678.75**	3,610.60
		4,816.64	3,696.01

20.1 Trade Payables: Ageing

As at March 31, 2022 — **₹ in lakhs**

Particulars	**Not due**	**Outstanding for following periods from due date of payment**				**Total**
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Due to Related Party						
Undisputed	-	**10.79**	-	-	-	**10.79**
Due to Micro and Small enterprises						
Undisputed dues	**127.00**	**0.10**	-	-	-	**127.10**
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	**3,040.85**	**1,494.54**	**49.52**	**87.37**	**6.47**	**4,678.75**
Disputed dues	-	-	-	-	-	-
	3,167.85	**1,505.43**	**49.52**	**87.37**	**6.47**	**4,816.64**

As at March 31, 2021 — **₹ in lakhs**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Related Party						
Undisputed	-	-	-	-	-	-
Due to Micro and Small enterprises						
Undisputed dues	85.20	0.21	-	-	-	85.41
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	3,198.74	278.40	90.58	7.65	35.23	3,610.60
Disputed dues	-	-	-	-	-	-
	3,283.94	278.61	90.58	7.65	35.23	3,696.01

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
20.2 Additional disclosure in respect of dues to Micro, Small and Medium enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 :		
i. Principal amount remaining unpaid	**127.10**	85.41
ii. Interest accrued on the above amount and remaining unpaid	-	-
iii. Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
iv. Interest paid in terms of Section 16	-	-
v. Interest due and payable for payments already made	-	-
vi. Interest accrued and remaining unpaid	-	-
vii. Amount of further interest remaining due and payable even in succeeding years	-	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the company regarding the status of suppliers under the MSME.

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
21 Other Financial Liabilities		
Interest accrued but not due on borrowings	**3.27**	3.38
Unpaid Dividends	**24.18**	22.54
Amounts Payable on Redemption of Preference Shares	**0.24**	0.30
Security Deposits from Customers / Transporters	**1,102.95**	1,044.14
Remuneration Payable to Key Managerial Personnel [Refer Note 39.2(B)(ii)(a&b)]	**20.40**	371.98
Liabilities for Expenses at the year-end	**743.59**	636.49
Others	**44.81**	38.35
	1,939.44	2,117.18

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
22 Other Current Liabilities		
Statutory Dues	**4,732.59**	4,447.85
Advances from Customers	**3,124.94**	3,055.70
Advance against sale of Non-current Assets held for Disposal [Refer Note 2(v)]	-	127.34
Unearned Revenue	**1,382.50**	1,085.25
Others	**83.04**	95.56
	9,323.07	8,811.70

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
23 Provisions		
For Employee Benefits (Refer Note 37)		
Gratuity	**263.82**	128.84
Compensated absences	**209.77**	209.62
	473.59	338.46

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
24	**Current Tax Liabilities (net)**		
	Provision for Taxation (Previous Year: Net of Taxes Paid of ₹ 1,690.65 lakhs)	-	112.60
		-	112.60

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
25	**Revenue from Operations**		
	Sale of Products	75,384.24	66,890.96
	Other Operating Revenue	745.17	480.26
		76,129.41	67,371.22
25.1	**Revenue from Contracts with Customers**		
A	**Revenue from contracts with customers disaggregated based on nature of products or services**		
i	Revenue from Sale of Products		
	Cement	73,348.98	65,218.01
	Clinker	230.59	1,672.95
	Paints	1,804.67	-
		75,384.24	66,890.96
ii.	Other Operating Revenue		
	AFR Processing Income	141.11	222.95
	Sale of Power	334.63	107.53
	Sale of Scrap	262.05	144.34
	Export Entitlements	7.38	5.44
		745.17	480.26
		76,129.41	67,371.22
B	**Revenue from contracts with customers disaggregated based on geography**		
i.	Domestic	75,397.40	66,829.41
ii.	Export	732.01	541.81
		76,129.41	67,371.22
25.2	**Reconciliation of contract price with Revenue from Operations**		
	Contract price	77,757.71	69,026.96
	Add: Transfer from unearned Revenue to Revenue	294.90	263.42
		78,052.61	69,290.38
	Less:		
	Discounts and Rate differences	2,076.22	1,833.68
	Customer loyalty programme	115.47	66.95
	Incentives and Schemes	476.68	498.79
	Revenue from sale of products	75,384.24	66,890.96
	Add: Other Operating Revenue	745.17	480.26
	Revenue from Operations	76,129.41	67,371.22

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
26 Other Income		
Interest Income on		
Fixed Deposits with Banks	691.02	714.81
Receivable from Subsidiary [Refer Note 39.2(A)(ii)(b)]	-	12.03
Financial Assets measured at amortised cost	2.56	2.85
Income Tax Refund	21.76	-
Others	4.11	9.27
	719.45	738.96
Dividend Income from Non-current Investments	0.66	-
Miscellaneous Income	158.70	162.99
Net Gain on Foreign Currency Transactions and Translation	119.25	126.44
Profit on Sale of Property, Plant and Equipment (Net)	57.98	-
Insurance Claims	30.73	15.09
Excess Provisions Written Back	5.25	119.97
Trade / Other Payables Written Back	45.05	66.62
	1,137.07	1,230.07

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
27 Cost of Materials Consumed		
Raw Materials		
Opening Stock	632.59	584.60
Add: Purchases	6,744.67	2,600.74
	7,377.26	3,185.34
Less: Closing Stock	1,333.15	632.59
	6,044.11	2,552.75
Royalty, Cess and Raw Material Handling Charges		
Limestone and Other Materials Handling Charges	898.01	806.91
Limestone / Marl Raising Charges	412.85	678.10
Royalty and Cess	1,945.08	1,845.48
	3,255.94	3,330.49
Packing Materials		
Opening Stock	226.99	149.54
Add: Purchases	2,515.09	1,930.50
	2,742.08	2,080.04
Less: Closing Stock	370.13	226.99
	2,371.95	1,853.05
	11,672.00	7,736.29

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
28 Purchases of Stock-in-trade		
Purchases of Trading Goods		
Paints	223.28	-
	223.28	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
29 Changes in Inventories of Finished Goods stock-in-trade and Work-in-progress		
Stocks at the end		
Finished Goods - Cement	**741.97**	615.94
Finished Goods - Paints	**387.89**	-
Stock-in-trade - Paints	**39.14**	-
Work-in-progress - Raw Flour and Clinker	**2,071.44**	457.34
	3,240.44	1,073.28
Less: Stocks at the Beginning		
Finished Goods - Cement	**615.94**	853.85
Work-in-progress - Raw Flour and Clinker	**457.34**	1,789.27
	1,073.28	2,643.12
	(2,167.16)	1,569.84

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
30 Employee Benefits Expense		
[Refer Note 32.1]		
Salaries, Wages and Bonus	**4,281.80**	3,920.61
Share based payments to employees (Refer Note 42)	**-**	109.76
Contribution to Provident and Other Funds	**261.53**	232.41
Gratuity Expense (Refer Note 37)	**108.62**	108.31
Staff Welfare Expenses	**167.69**	157.91
	4,819.64	4,529.00

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
31 Finance Costs		
Interest expense		
On Borrowings	**207.54**	118.23
On Duties and Taxes	**90.39**	135.04
On Others	**126.70**	139.67
	424.63	392.94
Other Borrowing Costs	**68.37**	44.48
	493.00	437.42

NOTES FORMING PART OF FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
32	**Other Expenses**		
	Stores and Spare Parts Consumed	**3,470.35**	2,296.78
	Power and Fuel	**28,394.86**	16,596.24
	Rent	**299.68**	132.39
	Repairs and Maintenance:		
	Buildings	**668.99**	236.29
	Machinery	**2,049.29**	1,570.72
	Others	**895.57**	595.43
		3,613.85	2,402.44
	Insurance	**180.83**	184.31
	Rates and Taxes	**72.68**	54.83
	Advertisement and Business Promotion Expenses	**1,935.25**	1,365.97
	Freight and Handling Expenses	**16,149.44**	15,079.07
	Cement Packing Expenses	**732.39**	743.45
	Packing and Handling Expenses - Paints	**68.94**	-
	Commission	**1,142.49**	1,088.13
	Directors' Fees	**67.05**	68.40
	Charity and Donation	**3.00**	128.60
	Traveling and Conveyance	**704.72**	201.39
	Legal and Professional Charges	**953.56**	676.19
	Auditor's Remuneration		
	Audit Fees	**14.62**	11.00
	Tax Audit Fees	**3.60**	3.60
	For Other Services - Certification Work	**4.90**	5.60
		23.12	20.20
	Loss on Sale / Discard of Property, Plant and Equipment (Net)	**-**	13.53
	Corporate Social Responsibility (CSR) Expenditure (Refer Note 35)	**113.77**	77.32
	Miscellaneous Expenses	**1,298.63**	954.10
	Cost of Cement Self Consumed	**(7.45)**	(14.06)
		59,217.16	42,069.28

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
32.1	Employee Benefit Expense (Note 30) and Other Expenses (Note 32) as incurred on cost of raising and transporting limestone / marl are as under:		
	Salaries, Wages and Bonus	**162.21**	138.51
	Stores and Spare Parts Consumed	**623.59**	409.88
	Repairs and Maintenance to Machinery	**89.43**	91.80
	Raw Material Handling Charges	**526.80**	439.99
	Limestone / Marl Raising Charges	**412.85**	678.10
	Royalty and Cess	**1,945.08**	1,845.48
		3,759.96	3,603.76

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
33 Exceptional Items		
Loan to subsidiary and accrued interest thereon, written off (Refer Note 4.3)	(141.66)	-
	(141.66)	-

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
34 Contingent Liabilities and Commitments		
i. Contingent liabilities: (to the extent not provided for)		
Claims against the Company not acknowledged as debt - matters under disputes / appeals:		
i. Sales Tax / VAT	-	2.09
ii. Excise Duty	1,360.41	1,360.41
iii. Goods and Services Tax	1.42	1.42
iv. Royalty	15.12	15.12
v. Customs Duty	50.00	50.00
vi. Claims filed by workmen or their union against the Company	3.12	2.15
vii. On account of Power Supply	678.16	647.56
viii. In the earlier years, the company had sold residential flats through a bidding process in which the bidder failed to make the payments as per the agreed schedule due to which the Earnest Money Deposit and part payments received against the failed bid were forfeited by the Company as per the agreed tender terms and the flats were sold to another person. The original unsuccessful bidder has disputed the subsequent sale and the outcome / impact of the same is presently unascertainable.		
ix. Other demands and claims	28.02	28.02
Notes:		
i. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.		
iii. The amounts stated are including interest and penalty, to the extent demanded.		
ii. Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances of ₹ 1,469.47 lakhs, Previous Year: ₹ 1,567.17 lakhs) and not provided for.	1,955.05	1,622.55

NOTES FORMING PART OF FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
35	**Particulars of Corporate Social Responsibility (CSR) Expenditure**		
	Gross amount required to be spent by the Company during the year	**113.76**	77.13
	Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
	Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
	Rural Development	**-**	5.29
	Promoting Preventive Health Care, Environment and Sanitation	**4.15**	50.00
	Education Promotion	**109.62**	22.03
		113.77	77.32
	There is no shortfall in the current year as well as in previous year		

36 Disclosure pursuant to Ind AS 116 on "Leases"

A Following are the changes in the carrying value of right of use assets:

₹ in lakhs

Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
Buildings			
Balance as at April 01, 2020	397.47	111.77	285.70
Additions	4.09	136.16	(132.07)
Deletions	6.93	6.54	0.39
Balance as at March 31, 2021	**394.63**	**241.39**	**153.24**
Additions	**80.29**	**129.23**	**(48.94)**
Deletions	**169.09**	**165.41**	**3.68**
Balance as at March 31, 2022	**305.83**	**205.21**	**100.62**

The aggregate depreciation expense amounting to ₹ 129.23 lakhs (Previous Year: ₹ 136.16 lakhs) on right of use assets is included under Depreciation and Amortization Expense in the Statement of Profit and Loss.

B The following is the break-up of current and non-current lease liabilities:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Current lease liabilities	**60.02**	121.84
Non current lease liabilities	**47.62**	44.38
	107.64	166.22

C The following is the movement in lease liabilities:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Balance as at the beginning of the year	**166.22**	293.50
Additions	**78.67**	4.09
Finance cost accrued	**11.03**	17.92
Deletions	**3.93**	0.43
Rent Concessions	**-**	0.14
Payment of lease liabilities	**144.35**	148.72
Balance as at the end of the year	**107.64**	166.22

The aggregate interest expense amounting to ₹ 11.03 lakhs (Previous Year: ₹ 17.92 lakhs) on Lease Liabilities is included under Finance Costs (Interest expenses - Others) in the Statement of Profit and Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Less than one year	**65.40**	129.62
One to five years	**50.70**	46.31
More than five years	-	-
	116.10	175.93

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Statement of Profit and Loss:

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Depreciation charge on right of use assets	**129.23**	136.16
Interest expense on lease liabilities	**11.03**	17.92
Expense relating to short-term leases	**64.82**	63.72
Gain on termination of leases	**0.25**	0.02
Rent Concessions	-	0.14

F Total cash outflow for leases from Financing Activities recognised in the Statement of Cash Flows is ₹ 144.35 lakhs (Previous Year: ₹ 148.72 lakhs).

37 Employee benefits

As per Ind AS - 19 - "Employee Benefits", the disclosures of Employee Benefits is given as below:-

37.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 255.88 lakhs (Previous Year: ₹ 232.41 lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 30)

37.2 Defined Benefit Plan: Gratuity

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the Defined Benefit Plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

37.3 The fund is managed by a trust and it is governed by the Board of Trustees. Present strength of trustees is five. The trustees are responsible for the governance of the plan. The day-to-day administration of the scheme is carried out by the trustees. It is the trustee's duty to look after assets on behalf of employees who are entitled to benefit from those assets at future date. Investment of assets of fund is key responsibility of the trustees.

NOTES FORMING PART OF FINANCIAL STATEMENTS

37.4 Risk to the Plan

i. **Actuarial Risk:**
The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

ii. **Liquidity Risk:**
Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows..

iii. **Market Risk:**
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

iv. **Legislative Risk:**
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

			As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
37.5	i.	**Changes in Present Value of Obligations:**		
		Present Value of Obligation at the beginning of the year	**1,107.22**	1,132.56
		Current Service Cost	**40.24**	40.58
		Past Service Cost	**-**	-
		Interest Cost	**69.09**	68.40
		Actuarial (Gain) / Loss due to:		
		- Change in Financial Assumptions	**(25.07)**	(12.74)
		- Change in Demographic Assumptions	**(0.28)**	-
		- Experience Changes	**9.08**	42.84
		Benefits paid	**(192.49)**	(164.42)
		Present Value of Obligation as at the end of the year	**1,007.79**	1,107.22
	ii.	**Changes in Fair Value of Plan Assets:**		
		Fair value of Plan Assets at the beginning of the year	**11.24**	11.18
		Expected return on Plan Assets	**0.71**	0.67
		Contributions by the employer	**192.49**	163.79
		Benefits paid	**(192.49)**	(164.42)
		Return on plan assets excluding amounts included in interest income	**0.02**	0.02
		Fair value of Plan Assets as at the end of the year	**11.97**	11.24
	iii.	**The amount recognised in Balance Sheet**		
		Gross value of Present Obligation at the end of the year	**1,007.79**	1,107.22
		Fair Value of Plan Assets at the end of the year	**11.97**	11.24
		Net Liability / (Asset) recognised in Balance Sheet	**995.82**	1,095.98

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
iv.	**Amount recognised in the Statement of Profit and Loss**		
	Current Service Cost	**40.24**	40.58
	Past Service Cost	**-**	-
	Interest Cost	**68.38**	68.40
	Expected return on Plan Assets	**-**	(0.67)
	Expenses Recognised in the Statement of Profit and Loss	**108.62**	108.31
v.	**Amount recognised in Other Comprehensive Income**		
	Components of Actuarial (Gain) / Loss:		
	Change in Financial Assumptions	**(25.07)**	(12.74)
	Change in Demographic Assumptions	**(0.28)**	-
	Experience Changes	**9.08**	42.84
	Return on plan assets excluding amounts included in interest income	**(0.02)**	(0.02)
	Amount recognised in Other Comprehensive Income	**(16.29)**	30.08
vi.	**Category of Assets**		
	Insurer Managed Funds	**11.97**	11.24
vii.	**Maturity Profile of the Defined Benefit Obligation**		
	1st Following Year (Within next 12 months)	**263.82**	279.42
	2nd Following Year	**128.17**	111.83
	3rd Following Year	**128.56**	182.34
	4th Following Year	**105.29**	126.36
	5th Following Year	**109.56**	99.10
	Sum of Years 6 to 10	**373.93**	414.68
	Sum of Years 11 and above	**317.79**	305.00
viii.	**Sensitivity Analysis for significant assumptions ***		
	Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
	1% increase in discount rate	**(36.57)**	(41.11)
	1% decrease in discount rate	**40.61**	45.67
	1% increase in salary escalation rate	**38.14**	44.31
	1% decrease in salary escalation rate	**(35.66)**	(40.55)
	1% increase in employee turnover rate	**4.36**	3.45
	1% decrease in employee turnover rate	**(4.84)**	(3.80)
ix.	**Assumptions**		
	Mortality Table - Indian Assured Life Mortality 2006-08		
	Discount Rate	**6.96%**	6.33%
	Rate of increase in compensation levels	**5.00%**	5.00%
	Expected Return on Plan Assets	**6.96%**	6.33%
	Attrition Rate		
	For service 4 years and below	**15.00%**	15.00%
	For service 5 years and above	**2.00%**	2.00%
x.	Weighted average duration of Defined Benefit Obligation	**5 years**	5 years

xi. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

NOTES FORMING PART OF FINANCIAL STATEMENTS

xii. Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations which is 9 years.

xiii. **Asset Liability matching strategy**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity.

* The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

38 Segment Reporting

The Company operates in two reportable segment i.e. (i) manufacture of Cement and Clinker and (ii) Paints as per Ind AS 108 - Operating Segment. Segments have been identified taking into account nature of product and differential risk and return of the segment. The business segments are reviewed by the Managing Director of the Company (CODM). In previous year, there was only one reportable segment i.e. Cement and Clinker and therefore previous year figures are not applicable.

			For the Year ended March 31, 2022 ₹ in lakhs
1	**Segment Revenue :**		
	Revenue from Operations :		
	a	Cement and Clinker	74,323.95
	b	Paints	1,805.46
		Total Revenue from Operations	76,129.41
2	**Segment Results :**		
	Profit / (Loss) after depreciation but before finance cost :		
	a	Cement and Clinker	1,728.29
	b	Paints	(640.67)
			1,087.62
	c	Less : Finance Cost	493.00
	Net Profit / (Loss) before Tax		594.62
3	**Segment Assets :**		
	Cement and Clinker		71,262.34
	Paints		6,839.89
	Total Assets		78,102.23
4	**Segment Liabilities :**		
	Cement and Clinker		24,851.51
	Paints		920.31
	Total Liabilities		25,771.82

NOTES FORMING PART OF FINANCIAL STATEMENTS

39 Related Party Disclosures

39.1 List of related parties:

i. Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital:

a. Pallor Trading Company Private Limited
b. The Mehta International Limited
c. Mehta Private Limited
d. The Mehta International Mauritius Limited
e. Mehta Investments Mauritius Limited
f. Gujarat Sidhee Cement Limited
g. Galaxy Technologies Private Limited
h. Omna Enterprises LLP

ii. Subsidiary Company:

Agrima Consultants International Limited

iii. Key Management Personnel:

a. Mr. M. N. Mehta - Chairman
b. Mr. Jay Mehta - Executive Vice Chairman
c. Mr. M. S. Gilotra - Managing Director
d. Mr. Hemang D. Mehta - Non-Executive Director
e. Mr. Hemnabh R. Khatau - Non-Executive Director
f. Mr. M. N. Rao - Independent Director
g. Mr. B. P. Deshmukh - Independent Director
h Mr. K. N. Bhandari - Independent Director
i. Mr. Jayant N. Godbole - Independent Director *
j. Mr. Bimal R. Thakkar - Independent Director
k. Mr. Ashwani Kumar - Independent Director
l Mrs. Bhagyam Ramani - Independent Director

* Ceases to be director due to death on January 04, 2022

iv. Enterprise having Key Management Personnel in common:

Gujarat Sidhee Cement Limited

39.2 Transactions and Balances with related parties:

				For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
A	**Transactions with related parties:**				
	i.	**Compensation paid / payable to Key Management Personnel:** (Short-term employee benefits)			
		a.	Mr. Jay Mehta	**337.85**	526.60
		b.	Mr. M. S. Gilotra	**300.24**	408.56
		As the liability for gratuity are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity.			
	ii.	**Transactions with Subsidiary Company:**			
		a.	Rent / Expenses reimbursements	**34.88**	15.07
		b.	Interest Income on loan	**-**	12.03
	iii.	**Transactions with Key Management Personnel:**			
		a.	Directors sitting fees	**67.05**	68.40
		b.	Dividend on Equity Shares	**0.71**	0.95
	iv.	**Transactions with relatives of Key Management Personnel:**			
			Dividend on Equity Shares	**26.56**	35.41

NOTES FORMING PART OF FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
v.	**Transactions with Promoter Companies:**		
	Dividend on Equity Shares	**347.23**	327.59
vi.	**Transactions with Gujarat Sidhee Cement Limited**		
	a. Purchase of goods, materials and stores & spares	**1,785.35**	1,245.81
	b. Recovery for services	**130.98**	74.97
vii.	**Transactions with Mehta Private Limited:**		
	Rent Paid	**71.58**	68.17

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
B	**Outstanding Balances as at the year-end**		
i.	**Subsidiary Company:**		
	a. Loans receivable	-	127.00
	b. Interest accrued but not due on loans	-	33.33
ii.	**Key Management Personnel:**		
	a. Remuneration payable to Mr. M S Gilotra	**8.74**	159.42
	b. Remuneration payable to Mr. Jay M Mehta	**11.66**	212.56
	c. Travelling Advance to Mr. Jay M Mehta	-	2.67
iii.	**Gujarat Sidhee Cement Limited**		
	Trade Receivables / (Payables)	**(10.79)**	28.98

C Terms and conditions of transactions and balances with related parties

i. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

ii. Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.

iii. There have been no guarantees provided or received for any related party transaction.

iv. During the current year, the Company has written off outstanding balance of Loan given to subsidiary company and interest accrued on the same amounting to ₹ 108.32 lakhs and ₹ 33.33 lakhs, respectively as the subsidiary company does not have regular income and funds to repay loan.

40 Capital Management:

The primary objective of Company's Capital Management is to maximize shareholder value without having any adverse impact on interests of other stakeholders. At the same time, company strives to maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's Capital Management, debt includes borrowings and current maturities of long term debt and equity includes issued equity share capital, share premium and all other equity.

The Company monitors capital using Net Debt to Equity ratio which is as under :

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Total Debt	**6,091.29**	2,038.95
Cash and Cash Equivalents and Fixed Deposits with Bank	**11,512.64**	14,357.42
Net Debt (A)	**(5,421.35)**	(12,318.47)
Total Equity (B)	**52,330.41**	52,410.66
Net Debt to Equity Ratio (A/B)	**NA**	NA

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
41 Disclosure pursuant to Ind AS 12 on "Income Taxes"		
41.1 Income tax expense recognised in the Statement of Profit and Loss:		
i Current Income Tax		
In respect of current year	**110.40**	2,897.77
Adjustments in respect of tax of earlier years	**(3.20)**	1.99
Total current income tax	**107.20**	2,899.76
ii Deferred Tax		
In respect of current year origination and reversal of temporary difference	**323.10**	147.74
In respect of MAT credit entitlement	**(66.84)**	-
In respect of MAT credit entitlement of earlier years	**-**	(29.84)
Total Deferred Tax	**256.26**	117.90
Income Tax expense	**363.46**	3,017.66
41.2 Income tax charge / (credit) recognised in Other Comprehensive Income: Deferred Tax		
In respect of remeasurement gain / (loss) of defined benefit plan	**5.69**	(10.51)
41.3 Classification of Income tax charge / (credit) recognised in Other Comprehensive Income:		
Income tax charge / (Credit) related to items that will not be reclassified to profit or loss	**5.69**	(10.51)
41.4 Reconciliation of Income Tax Expense with the accounting profit multiplied by Company's tax rate		
Accounting profit before tax	**594.62**	10,255.82
Applicable Tax Rate *	**33.38%**	34.94%
Computed Tax Expense	**198.51**	3,583.79
Effect of non deductible items	**166.64**	214.34
Effect of deductible items	**(321.13)**	(210.62)
Effect of deductions under Chapter VI-A	**(0.46)**	(689.74)
Adjustment of income tax of earlier year	**(3.20)**	1.99
Adjustment of MAT Credit entitlement of earlier years	**-**	(29.84)
Deferred tax adjustment	**323.10**	147.74
Tax Expenses recognised in Statement of Profit and Loss	**363.46**	3,017.66
Effective Tax Rate	**61.12%**	29.42%

* The tax rate used for reconciliation is the corporate tax rate of 33.38% (Previous Year: 34.94%) payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
41.5 Deductible temporary differences arising from investment in Equity Shares on which DTA has not been recognised		
Investment in Subsidiary	**430.09**	408.38
Investment in Gujarat Sidhee Cement Limited	**1,754.24**	1,907.40

The Company has not recognised Deferred Tax Asset on deductible temporary difference arising from above investments as the Management is of the view that there will not be sufficient taxable income in the form of Capital Gains against which the Capital Loss on the said temporary difference can be utilised.

NOTES FORMING PART OF FINANCIAL STATEMENTS

		As at April 01, 2021 ₹ in lakhs	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2022 ₹ in lakhs
41.6	**Components of Deferred Tax**					
a.	**Deferred Tax Assets**					
	Provision for Impairment	1,606.65	**-**	-	-	**1,606.65**
	Provision for expenses allowable on cash basis	893.53	**29.21**	-	-	**922.74**
	Provision for Gratuity & Leave encashment	566.49	**(26.95)**	(5.69)	-	**533.85**
	MAT Credit	1,504.55	**66.84**	-	1.65	**1,573.04**
	Lease Liabilities	61.48	**(20.91)**	-	-	**40.57**
	Others	19.46	**10.04**	-	-	**29.50**
		4,652.16	**58.23**	(5.69)	1.65	**4,706.35**
b.	**Deferred Tax Liabilities**					
	Property, Plant and Equipment and Intangible Assets	6,304.33	**332.88**	-	-	**6,637.21**
	Right of Use Assets	53.55	**(18.39)**	-	-	**35.16**
		6,357.88	**314.49**	-	-	**6,672.37**
	Deferred Tax Liabilities / (Asset) (Net)	1,705.72	**256.26**	5.69	(1.65)	**1,966.02**

		As at April 01, 2020 ₹ in lakhs	Recognised in Profit and Loss	Recognised in OCI	MAT Credit utilised	As at March 31, 2021 ₹ in lakhs
a.	**Deferred Tax Assets**					
	Provision for Impairment	1,606.65	-	-	-	1,606.65
	Provision for expenses allowable on cash basis	931.02	(37.49)	-	-	893.53
	Provision for Gratuity & Leave encashment	557.42	(1.44)	10.51	-	566.49
	MAT Credit	2,569.23	29.84	-	(1,094.52)	1,504.55
	Lease Liabilities	112.03	(50.55)	-	-	61.48
	Others	17.80	1.66	-	-	19.46
		5,794.15	(57.98)	10.51	(1,094.52)	4,652.16
b.	**Deferred Tax Liabilities**					
	Property, Plant and Equipment and Intangible Assets	6,198.12	106.21	-	-	6,304.33
	Right of Use Assets	99.84	(46.29)	-	-	53.55
		6,297.96	59.92	-	-	6,357.88
	Deferred Tax Liabilities / (Asset) (Net)	503.81	117.90	(10.51)	1,094.52	1,705.72

42 Share Based Payments

42.1 Saurashtra Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 26, 2017, shareholders of the company approved Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 08, 2018 has approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the company as also to retain them. Each option carries the right to the holder to apply for one equity share of the company at par. The salient features of the Scheme are as below:

NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	Details
No. of Options	16,33,253
Date of Grant	February 08, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	Graded Vesting: i) 33% of Options granted to be vested at 1st anniversary from the date of grant. ii) 33% of Options granted to be vested at 2nd anniversary from the date of grant. iii) 34% of Options granted to be vested at 3rd anniversary from the date of grant.
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	75.31
Method of Settlement	Equity

42.2 Movement in Options Granted under ESOS 2017

Particulars	**As at March 31, 2022 Nos**	**Weighted average exercise price per option (₹)**	As at March 31, 2021 Nos	Weighted average exercise price per option (₹)
Outstanding at the beginning of the year	**945,463**	**10**	1,207,854	10
Granted during the year	**-**		-	
Exercised during the year	**501,774**	**10**	262,391	10
Forfeited / lapsed during the year	**-**	**-**	-	-
Outstanding at the end of the year	**443,689**	**10**	945,463	10
Options exercisable at the end of the year	**443,689**	**10**	945,463	10

The weighted average share price during the period of exercise of options was ₹ 92.99 per share, Previous Year: ₹ 53.05. Weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 1 year and 9 months (Previous Year: 2 years and 1.5 months)

42.3 Fair Valuation

No options were granted during the year. The fair valuation of option granted during FY 2017-18 have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

i. Risk Free Rate : 7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)

ii. Option Life : Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)], which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)

iii. Expected Volatility * : 52.89% (Vest 1), 55.72% (Vest 2), 58.15% (Vest 3)

iv. Dividend Yield : 1.15%

Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

42.4 Expenses arising from equity-settled share-based payments to employees debited to the Statement of Profit and Loss is ₹ Nil (Previous Year: ₹ 109.76 lakhs).

NOTES FORMING PART OF FINANCIAL STATEMENTS

43 Disclosure on Financial Instruments

43.1 Classification of Financial Assets and Liabilities

Particulars	Note No.	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Financial Assets at amortised cost:			
Trade Receivables	8	3,513.37	2,901.84
Loans	4 and 11	14.64	136.59
Cash and Bank Balances	9 and 10	12,808.07	18,804.88
Other Financial Assets	5 and 12	382.28	436.49
Financial Assets at fair value through Other Comprehensive Income:			
Investments	3	913.57	760.40
Total		17,631.93	23,040.20
Financial Liabilities at amortised cost:			
Term Loan from Banks (Non-current)	16	430.22	462.15
Borrowings (Current)	19	5,661.07	1,576.80
Trade payables	20	4,816.64	3,696.01
Lease Liabilities	36	107.64	166.22
Other Financial Liabilities	21	1,939.44	2,117.18
Total		12,955.01	8,018.36

The fair value of Bank Deposits with more than 12 months maturities & earmarked balances and fair value of borrowed funds approximate carrying value as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

43.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Receivables are evaluated by the Company based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.

ii. The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.

iii. The fair values of quoted equity instruments are derived from quoted market prices in active markets.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Financial Assets at fair value through Other Comprehensive Income:		
Investments - Level 1	**912.32**	759.15
Investments - Level 2	**1.25**	1.25
Total	**913.57**	760.40

There is no transfer between Level 1 and Level 2 during the year.

43.3 Financial Risk Management Framework:

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets comprises of trade and other receivables, cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Company's activities exposes it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The Company's senior management oversees the management of these risks. They provide assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
Foreign Exchange Risk	Committed commercial transaction, Financial asset and Liabilities not denominated in INR	There are no major foreign exchange transactions	Foreign exchange transaction are in the nature of current payment and effected at current exchange rate.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign exchange risk in a fluctuating market environment.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts, capital expenditure and export of cement.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Outstanding foreign currency exposure	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Trade Advances		
EUR	**94.24**	39.06
GBP	**38.53**	-
USD	**-**	5.07
Trade Payables		
GBP	**5.32**	-

Foreign currency sensitivity on unhedged exposure:

Since the exposure is not significant, 1% increase in foreign exchange rates will have negligible impact on profit before tax.

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to i) overdraft against fixed deposits and ii) Cash Credit. The Company doesn't have foreign currency borrowings. The company parks surplus funds in fixed deposits and avails overdraft against same to meet temporary fund requirement. The interest rate on overdraft is linked with interest rate on fixed deposit. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft. The Cash Credit carries floating interest rate.

Interest rate exposure:

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2022 is ₹ 759.69 lakhs, Previous Year: ₹ 999.98 lakhs.

There is no significant interest rate risk in respect of overdraft against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

Interest rate sensitivity for unhedged exposure:

1% increase / decrease in interest rate will impact Profit before tax by ₹ 7.60 lakhs p.a., Previous Year: ₹ 10 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities mainly deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Trade Receivables:

Customer credit is managed as per Company's established policy procedures and control related to customer credit risk management. The Company has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits

Export sales is mainly against advance payment or letter of credit.

Generally deposits are taken from domestic debtors. Apart from deposit, there is a third party agent area wise. In case any customer defaults, the amount is first recovered from third party agent, then from the agent's commission. Each outstanding customer receivable is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Company does not have higher concentration of credit risks to a single customer.

Total Trade receivable as at March 31, 2022 is ₹ 3,527.47 lakhs, Previous Year: ₹ 2,915.58 lakhs.

NOTES FORMING PART OF FINANCIAL STATEMENTS

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for impairment based on specific identification of debtors. The Company will reassess the risk periodically and make the necessary adjustments for loss allowance, if required. The movement in provision for impairment is as below:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Balance as at the beginning of the year	**13.74**	13.74
Add: Provided during the year	**-**	-
Less: Utilised / written back during the year	**-**	-
Balance as at the end of the year	**13.74**	13.74

Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in lakhs

As at March 31, 2022	**Less than 1 year / On demand**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings (including current maturities of long-term debts)	**5,661.07**	**430.22**	**-**	**6,091.29**
Trade payables	**4,816.64**	**-**	**-**	**4,816.64**
Lease Liabilities	**65.40**	**50.70**	**-**	**116.10**
Other financial liabilities	**1,939.44**	**-**	**-**	**1,939.44**
As at March 31, 2021	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	1,576.80	462.15	-	2,038.95
Trade payables	3,696.01	-	-	3,696.01
Lease Liabilities	129.62	46.31	-	175.93
Other financial liabilities	2,117.18	-	-	2,117.18

44 Acquisition of Paint Business

The Board of Directors of the Company at its meeting held on March 30, 2021 approved a proposal for acquisition of the Paint Business of M/s Snowcem Paints Private Limited (""the seller"").

In this regard, the Company has executed Definitive Agreement on April 07, 2021 for purchase of business undertaking of the Paint Business of the seller for a total consideration of ₹ 54.11 crores on slump sale basis and as a going concern, including its manufacturing facilities, licenses & permissions, various brands in India and overseas, Trademarks and associated IPR, distribution and supply chain network, etc. on fulfilment of certain conditions.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The purchase was effective from May 01, 2021 and operations of said business were started from that date, which is the acquisition date for the purpose of Ind AS 103 - Business Combinations. Accordingly, financial statements for the year ended March 31, 2022 includes operations of Paint Business from May 01, 2021 and are strictly not comparable with the previous year's financial statement

A The Company is engaged in the business of manufacturing of cement and clinker. The acquisition of Paint Business will add further value to the Company in the business of Construction materials segment.

B **Fair Value of the Consideration transferred:**

As per Ind AS 103 – Business Combinations, purchase consideration has been allocated on the basis of fair valuation determined by independent valuers.

The Fair Value of identifiable assets acquired as on the acquisition date:

Particulars	₹ in lakhs	₹ in lakhs
Property, Plant and Equipment		
Leasehold Land	881.55	
Buildings	1,828.24	
Plant and Machinery and Other Assets	143.62	2,853.41
Intangible Assets		
Trademarks	2,150.62	
Licenses and Permissions	123.00	
Computer Software	61.50	2,335.12
Total Assets		5,188.53

C **Amount recognised as Goodwill:**

Particulars	₹ in lakhs
Total consideration as per agreement	5,411.00
Less: Fair value of the net assets acquired	5,188.53
Goodwill	222.47

Goodwill is attributable to future growth of business out of synergies from this acquisition.

D. Acquisition costs capitalised to Property, Plant and Equipment and Intangible Assets:

Particulars	Acquisition Costs	₹ in lakhs	₹ in lakhs
Property, Plant and Equipment			
Leasehold Land	Lease Premium	30.00	
	Stamp Duty	18.93	48.93
Buildings	Professional Fees	20.00	
	Stamp Duty	43.31	63.31
Intangible Assets			
Trademarks	Filing Fees		12.49
			124.73

E. Revenue and (Loss) of Paint Business included in the Statement of Profit and Loss for the year ended March 31, 2022:

Particulars	₹ in lakhs
Revenue from operations	1,805.46
(Loss) Before Tax	(648.86)

NOTES FORMING PART OF FINANCIAL STATEMENTS

45. The Board of Directors of the Company at its meeting held on February 05, 2022 approved the scheme of amalgamation of Gujarat Sidhee Cement Limited (GSCL) with the Company, subject to necessary regulatory approvals, with effect from January 01, 2022, being the appointed date. On amalgamation of GSCL with the Company ,

i. the shares held by GSCL in the Company will be cancelled and the shares held by the Company in GSCL will be cancelled,

ii. all the assets and liabilities of GSCL will be transferred to the Company,

iii. the shareholders of GSCL will get 62 Equity Shares of the Company in exchange of 100 Equity Shares of GSCL in proportion of their holdings.

The Scheme shall be effective from the last date on which the order approving the Scheme by National Company Law Tribunal (NCLT) is filed with the Registrar of Companies (ROC).

46. Disclosure of transactions with Struck off Companies

The Company does not have any transactions with struck-off companies except below.

		As at March 31, 2022		As at March 31, 2021	
Name of the struck off company	**Nature of transactions with struck off company**	**Balance outstanding ₹ in lakhs**	**Relationship with the struck off company, if any**	Balance outstanding ₹ in lakhs	Relationship with the struck off company, if any
Kulveer Metal Craft Private Limited	Trade Payables	**0.81**	**-**	0.39	-

47 Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

i. The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.

ii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

iii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

iv. Ratios - Refer Note 48.

v. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding, that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Additional Information

Additional Information pursuant to Clause 7(l) of General Instructions for preparation of Statement of Profit and Loss as given in Part II of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

i. The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

ii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

48 Ratios

Particulars	Formula	As at March 31, 2022			As at March 31, 2021			% Variance	Reason for variance
		Numerator ₹ in lakhs	Denominator ₹ in lakhs	Ratio	Numerator ₹ in lakhs	Denominator ₹ in lakhs	Ratio		
Current ratio	Current assets / Current liabilities	27,099.30	22,273.83	1.22	28,682.86	16,774.59	1.71	-29%	Increase in current liabilities, mainly bank borrowings
Debt-equity ratio	Total Debt / Shareholder's Equity	6,091.29	52,330.41	0.12	2,038.95	52,410.66	0.04	200%	Increase in debt, mainly current bank borrowings
Debt service coverage ratio	Earnings available for debt service / Debt Service	2,721.74	671.37	4.05	9,382.74	599.31	15.66	-74%	Consequential impact of decrease in profit
Return on equity ratio	Net Profit after taxes / Average Shareholder's Equity	231.16	52,370.54	0.44%	7,238.16	48,811.29	14.83%	-97%	Decrease in profit, mainly due to Higher Cost of Power and Fuel
Inventory turnover ratio	Net Sales / Average Inventory	75,384.24	7,614.76	9.90	66,890.96	7,781.54	8.60	15%	
Trade receivables turnover ratio	Revenue from Operations / Average Trade Receivables	76,129.41	3,207.61	23.73	67,371.22	3,168.51	21.26	12%	
Trade payables turnover ratio	Purchases / Average Trade Payables	43,459.79	1,287.28	33.76	21,985.29	2,109.46	10.42	224%	Majority of the suppliers are paid in the month of March 2022.
Net capital turnover ratio	Revenue from Operations / Working Capital	76,129.41	4,825.47	15.78	67,371.22	11,908.27	5.66	179%	Increase in sales and decrease in net working capital
Net profit ratio	Net Profit after taxes / Revenue from Operations	231.16	76,129.41	0.30%	7,238.16	67,371.22	10.74%	-97%	Decrease in profit, mainly due to Higher Cost of Power and Fuel
Return on capital employed	Earning before interest and taxes / Capital Employed	802.16	57,334.72	1.40%	10,374.05	56,070.97	18.50%	-92%	Consequential impact of decrease in profit
Return on investment	Dividend on shares / Investment in shares	0.66	913.57	0.07%	-	760.40	0.00%	100%	No receipt of dividend in previous year

NOTES FORMING PART OF FINANCIAL STATEMENTS

49. Earnings Per Share

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
Earnings Per Share		
Basic earnings per share		
Net Profit for the year	**231.16**	7,238.16
Weighted average number of equity shares outstanding	**70,059,681**	69,657,993
Basic earnings per share (in ₹)	**0.33**	10.39
Diluted earnings per share		
Net Profit for the year	**231.16**	7,238.16
Weighted average number of equity shares outstanding	**70,059,681**	69,657,993
Add: Weighted average number of potential equity shares on account of outstanding Employee Stock Options	**388,240**	806,324
Weighted average number of equity shares outstanding for diluted EPS	**70,447,921**	70,464,317
Diluted earnings per share (in ₹)	**0.33**	10.27

50. Previous year figures have been recasted / restated where necessary.

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of Saurashtra Cement Limited

Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Saurashtra Cement Limited ('the Company' or 'the Holding Company'), and its subsidiary (the Holding company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act ,2013 (hereinafter referred to as "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, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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
Recognition of Deferred Tax Assets The Company has recognized Deferred Tax Assets on tax credit (MAT) which involves significant judgment to determine whether there will be reasonable certainty of taxable income against which the tax credit will be utilized. We have considered this matter to be key audit matter considering the materiality of amount of tax credit, significant judgement involved in estimating future taxable income against which such assets can be realized. Refer Note Nos 18 & 40 to the Consolidated Financial Statements.	Our audit procedures include the following substantive procedures: - Obtained details of completed tax assessments up to year ended March 31, 2022 from management. - We involved our internal experts to review management's underlying assumptions regarding availability of tax credit in the light of the provisions of the Income Tax Act,1961. - We evaluated the estimates of profitability made by the management on the basis of which it is considered that the company will have sufficient taxable income against which tax credit will be utilized. - Verified that recognition of such assets is made in accordance with Ind AS 12 "Income Taxes".

Key Audit Matter	Auditor's Response
Impairment of Capital Work in Progress (CWIP) The company has incurred the expenditure of ₹ 8,107.17 Lakhs on expansion project in earlier years. The expenditure comprised of cost of imported plant & machineries (including related stores and spares), civil work and pre-operative expenses (including interest capitalized). Balance of ₹ 7,892.10 Lakhs on March 31, 2022 is shown under Capital Work in Progress in balance sheet. The project was suspended in the year 2005. However, the company intends to install the assets at a later date, depending upon the market condition. For this purpose, company has got the evaluation and valuation of assets done by a project consultant. Based on the report of the consultant, the fair value of assets is estimated at ₹ 4,473.46 lakhs. This value is higher than the carrying value at ₹ 3,294.32 lakhs of these assets and the company has continued provision for impairment of ₹ 4,597.78 lakhs as at March 31, 2022. We have considered this matter to be key audit matter considering the significant judgement involved in valuation of assets for the purpose of determining Impairment and materiality of amount involved. Refer Note No 2 to the Consolidated Financial Statements.	Our audit procedures include the following substantive procedures: - Obtained the details of assets and expenditure incurred in respect of expansion project. - Carried out physical verification of the assets and assessed their condition. - Discussed with senior management about their plan for utilization of the assets at a later date and relevant documents in relations thereto. - Perused the valuation report of the valuation expert and reviewed underlying assumptions on the basis of which valuation has been made. - Verified the working of the amount of provision made for impairment of the assets. - Verified that accounting treatment / disclosure in respect of impairment of assets is in accordance with Ind AS 36 "Impairment of Assets".
Revenue recognition - Estimation of Incentives to customers Revenue from sale of products is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. The Company sells its products through various channels such as dealers and commission agents; (customers) and provides incentives to them in the form of rebate, discount etc. under various marketing schemes As per the accounting policy of the Company, the revenue is recognised upon transfer of control of goods to the customer and net of rebate/discount/incentives based on the scheme. This requires an estimation of the revenue taking into consideration these incentives. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates. With regard to the determination of revenue, the management is required to make significant estimates in respect of the followings:	Our audit procedures include the following substantive procedures: - Obtained an understanding from the management with regard to controls relating to recording of incentives and period end outstanding value of performance obligations and tested the operating effectiveness of such controls. - Tested the inputs used in the estimation of revenue in context of incentives. - Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes. - Verified the authorisation for schemes for incentives. - Analysed past trends by comparing actuals with the estimates of earlier periods. - Verified that accounting treatment is in accordance with Ind AS 115 "Revenue from Contracts with Customers.

Key Audit Matter	Auditor's Response
- The incentives linked to sales, which will be given to the customers pursuant to schemes offered by the Company; - Benefits offered by the dealers to the ultimate consumers is also considered on behalf of the company. The matter has been determined to be a key audit matter in view of volume and complexities in working as well as the involvement of significant estimates by the management. Refer Note Nos 22 & 25 to the Consolidated Financial Statements.	
Acquisition of Paint Business The Company has purchased an undertaking of the Paint Business of M/s Snowcem Paints Private Limited for a total consideration of ₹ 5,411.00 Lakhs on slump sale basis and as a going concern, including its manufacturing facilities, licenses & permissions, various brands in India and overseas, Trademarks and associated IPR, distribution and supply chain network, etc. by executing Definitive Agreement (DA) on April 7, 2021. The purchase was effective from May 1, 2021. Accounting for the acquisition has involved judgment in order to: - identify and measure the fair value of the assets acquired; - allocate the purchase consideration between assets and goodwill; - the identification and valuation of intangible assets acquired such as Trademark, Licences and Software. Business acquisition being significant event during the year and involvement of significant judgement for valuation of assets, the matter is considered as key audit matter. Refer Note No. 43 to the Consolidated Financial Statements	Our audit procedures include the following substantive procedures: - Examined the terms and conditions of the DA in connection with the acquisition of Paint Business. - Tested the completeness and existence of the assets acquired by comparison to DA, through discussions with the management. - We assessed the Company's determinations of fair values for assets acquired and the methods used to value the underlying assets by: o Reading the valuation reports prepared by the appointed external valuers. o Evaluating the competence, objectivity and integrity of the appointed external valuation specialists. o Involving our internal valuation specialists in assessing the appropriateness of the methods used to determine the fair values of the intangible assets including assumptions such as the discount rates applied. - evaluated the accounting treatment and appropriateness of adequate disclosures in accordance with the applicable Ind AS.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision

and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

We did not audit the financial statements of the subsidiary whose financial Statements include total assets of ₹ 35.38 lakhs (before adjustment of consolidation) and net assets of ₹ 35.15 Lakhs (before adjustment of consolidation) as at March 31, 2022 and total revenue of ₹ 47.87 lakhs (before adjustment of consolidation) and net cash flows of ₹ 5.12 Lakhs (before adjustment of consolidation) for the year ended on that date. These financial statements, other financial information and auditor's report have been furnished to us by the management of the company.

Our opinion on the Consolidated Financial Statements, and our Report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditor.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and report of statutory auditor of its subsidiary company, none of the directors of the Group Companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Managing and Executive Directors during the year is in accordance with the provisions of section 197 of the Act.

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

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note No 33 to the consolidated financial statements.

(ii) The company did not have any long-term contracts including derivative contracts.

(iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended March 31, 2022.

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

(b) The Management of the Holding Company 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 Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(v) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable. The company has not declared the interim or final dividend for the current year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of section 143 (11) of the Act, the matters specified in the paragraphs 3 (xxi) of CARO in respect of qualification or adverse remarks in CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company is reported here under

Sr. No.	Name	CIN	Relationship with the Holding Company	Paragraph number in the respective CARO reports
1	Saurashtra Cement Limited	L26941GJ1956PLC000840	Holding Company	(ii)(b)
2	Agrima Consultants International Limited	U74210MH1988PLC047543	Subsidiary Company	No adverse comment.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W /W100136

(K C Patel)
Partner
Membership No. 30083
UDIN: 22030083AJLREN5105

Place: Ahmedabad
Date: May 23, 2022

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Saurashtra Cement Limited 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")

In conjunction with our audit of the Consolidated Financial Statements of Saurashtra Cement Limited (hereinafter referred to as "Company") and its subsidiary company, which is company incorporated in India, as of that date, as of and for the year ended March 31, 2022, we have also audited the internal financial controls over financial reporting of the Companies.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Company and its subsidiary company, which is company incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company and its subsidiary company, which is company incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, is based on the corresponding report of the auditors of the subsidiary company.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W /W100136

(K C Patel)
Partner
Membership No. 30083
UDIN: 22030083AJLREN5105

Place: Ahmedabad
Date: May 23, 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

	Note No.	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	**37,581.17**	34,363.09
(b) Capital Work-in-Progress	2	**6,750.77**	5,979.12
(c) Right of Use Assets	2	**100.62**	153.24
(d) Goodwill	2	**222.47**	-
(e) Intangible Assets	2	**2,303.29**	7.61
(f) Intangible Assets under Development	2	**527.24**	76.75
(g) Financial Assets			
(i) Investments	3	**913.82**	760.65
(ii) Loans	4	**8.50**	4.94
(iii) Other Financial Assets	5	**216.57**	153.84
(h) Other Non-Current Asset	6	**2,407.46**	2,400.14
SUB-TOTAL		**51,031.91**	43,899.38
CURRENT ASSETS			
(a) Inventories	7	**9,632.17**	5,597.35
(b) Financial Assets			
(i) Trade Receivables	8	**3,513.37**	2,901.84
(ii) Cash and Cash Equivalents	9	**96.39**	412.78
(iii) Bank Balances other than (ii) above	10	**12,717.90**	18,393.20
(iv) Loans	11	**6.14**	4.65
(v) Other Financial Assets	12	**180.59**	264.20
(c) Other Current Assets	13	**959.15**	1,077.00
SUB-TOTAL		**27,105.71**	28,651.02
TOTAL ASSETS		**78,137.62**	72,550.40
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	**7,031.69**	6,982.15
(b) Other Equity	15	**45,333.88**	45,298.10
SUB-TOTAL		**52,365.57**	52,280.25
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	**430.22**	462.15
(ii) Lease Liabilities	35	**47.62**	44.38
(b) Provisions	17	**1,054.13**	1,282.67
(c) Deferred Tax Liabilities (Net)	18	**1,966.02**	1,705.72
SUB-TOTAL		**3,497.99**	3,494.92
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	**5,661.07**	1,576.80
(ii) Lease Liabilities	35	**60.02**	121.84
(iii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		**127.10**	85.41
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**4,689.77**	3,611.16
(iv) Other Financial Liabilities	21	**1,939.44**	2,117.18
(b) Other Current Liabilities	22	**9,323.07**	8,811.78
(c) Provisions	23	**473.59**	338.46
(d) Current Tax Liabilities (Net)	24	**-**	112.60
SUB-TOTAL		**22,274.06**	16,775.23
TOTAL EQUITY AND LIABILITIES		**78,137.62**	72,550.40
Significant Accounting Policies and Notes are an integral part of the Consolidated Financial Statements	1 to 50		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Note No.	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
Revenue from Operations	25	**76,129.41**	67,371.22
Other Income	26	**1,156.20**	1,230.36
Total Income		**77,285.61**	68,601.58
Expenses			
(a) Cost of Materials Consumed	27	**11,672.00**	7,736.29
(b) Purchases of Stock-in-trade	28	**223.28**	-
(c) Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	29	**(2,167.16)**	1,569.84
(d) Employee Benefits Expense	30	**4,819.64**	4,529.00
(e) Finance Costs	31	**493.00**	437.42
(f) Depreciation and Amortisation Expenses	2	**2,272.28**	2,003.64
(g) Other Expenses	32	**59,209.93**	42,078.55
Total Expenses		**76,522.97**	58,354.74
Profit before Exceptional Items and tax		**762.64**	10,246.84
Exceptional Items		**-**	-
Profit before tax		**762.64**	10,246.84
Tax Expenses	40		
(a) Current tax		**112.85**	2,897.77
(b) Relating to previous years		**(3.20)**	1.99
(c) Deferred tax		**256.26**	117.90
Total Tax Expense		**365.91**	3,017.66
Profit for the year		**396.73**	7,229.18
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		**16.29**	(30.08)
(b) Effect of measuring Equity Instruments on Fair Value		**153.17**	406.95
(c) Income tax on (a)		**(5.69)**	10.51
Total Other Comprehensive Income for the year (net of tax)		**163.77**	387.38
Total Comprehensive Income for the year		**560.50**	7,616.56
Earnings per Equity Share of Face Value of ₹ 10 each :			
(a) Basic (₹ per share)	49	**0.57**	10.38
(b) Diluted (₹ per share)	49	**0.56**	10.26
Significant Accounting Policies and Notes are an integral part of the Consolidated Financial Statements	1 to 50		

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(₹ In lakhs)

Balance as at April 01, 2021	Changes in Equity Share Capital during the year due to prior period errors	Restated Balance as at April 01, 2021	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
6,981.84	-	6981.84	49.54	7031.38

(₹ In lakhs)

Balance as at April 01, 2020	Changes in Equity Share Capital during the year due to prior period errors	Restated Balance as at April 01, 2020	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
6951.84	-	6951.84	30.00	6981.84

B. OTHER EQUITY

(₹ In lakhs)

Particulars	Share application money pending allotment	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding	General Reserve	Retained Earnings		
Balance at the beginning of the Reporting Period i.e. **As at April 01, 2020**	4.95	2,712.70	737.60	10,814.05	844.44	5,786.29	20,587.75	(3,349.45)	38,138.33
Profit for the year	-	-	-	-	-	-	7,229.18	-	7,229.18
Effect of measuring Equity Instruments on Fair Value	-	-	-	-	-	-	-	406.95	406.95
Remeasurement of defined benefit plan (net of tax)	-	-	-	-	-	-	(19.57)	-	(19.57)
Total Comprehensive Income for the year	-	-	-	-	-	-	7,209.61	406.95	7,616.56
Issue of Equity Shares	(4.95)	-	-	-	-	-	-	-	(4.95)
Dividend on Equity Shares	-	-	-	-	-	-	(562.80)	-	(562.80)
Share Application Money received on exercise of Employee Stock Options, pending allotment	1.20	-	-	-	-	-	-	-	1.20
Share based payments to employees	-	-	-	-	109.76	-	-	-	109.76
Employee Stock Options exercised	-	-	-	225.94	(225.94)	-	-	-	-
Unvested Employee Stock Options lapsed	-	-	-	-	(7.96)	-	7.96	-	-
Balance at the end of the Reporting Period i.e. **As at March 31, 2021**	1.20	2,712.70	737.60	11,039.99	720.30	5,786.29	27,242.52	(2,942.50)	45,298.10
Balance at the beginning of the Reporting Period i.e. **As at April 01, 2021**	**1.20**	**2,712.70**	**737.60**	**11,039.99**	**720.30**	**5,786.29**	**27,242.52**	**(2,942.50)**	**45,298.10**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**396.73**	**-**	**396.73**
Effect of measuring Equity Instruments on Fair Value	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**153.17**	**153.17**
Remeasurement of defined benefit plan (net of tax)	**-**	**-**	**-**	**-**	**-**	**-**	**10.60**	**-**	**10.60**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**407.33**	**153.17**	**560.50**
Issue of Equity Shares	**(1.20)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.20)**
Dividend on Equity Shares	**-**	**-**	**-**	**-**	**-**	**-**	**(525.36)**	**-**	**(525.36)**
Share Application Money received on exercise of Employee Stock Options, pending allotment	**1.84**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.84**
Employee Stock Options exercised	**-**	**-**	**-**	**372.92**	**(372.92)**	**-**	**-**	**-**	**-**
Balance at the end of the Reporting Period i.e. **As at March 31, 2022**	**1.84**	**2,712.70**	**737.60**	**11,412.91**	**347.38**	**5,786.29**	**27,124.49**	**(2,789.33)**	**45,333.88**

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M. S. Gilotra (DIN:00152190)
Managing Director

M.N. Rao (DIN:00027131)
Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**762.64**	10,246.84
Adjustments for :		
Add: Finance Costs	**493.00**	437.42
Loss on Sale / Discard of Property, Plant and Equipment (Net)	**-**	13.53
Exceptional items	**-**	-
Employee Benefit Expense at amortised cost	**1.03**	1.12
Unrealised Foreign Exchange Loss (Net)	**0.48**	1.03
Loss on Non-Current Assets held for disposal	**-**	8.01
Share-based Payments to Employees	**-**	109.76
Depreciation and Amortisation Expense	**2,272.28**	2,003.64
	2,766.79	2,574.51
Less: Interest Income	**(715.34)**	(717.66)
Dividend Income	**(0.71)**	-
Exceptional items	**-**	-
Profit on Sale of Property, Plant and Equipment (Net)	**(57.98)**	-
Excess Provisions and Trade / Other Payables Written Back	**(50.30)**	(186.59)
Rent concession	**-**	(0.14)
Gain on Termination of Lease	**(0.25)**	(0.02)
	(824.58)	(904.41)
Operating Profit before Working Capital changes	**2,704.85**	11,916.94
Adjustments for increase / decrease in:		
Trade Payables, Financial Liabilities and Other Current Liabilities	**1,583.84**	(1,531.78)
Provisions	**(77.12)**	(4.13)
Long-term Loans, Financial Assets and Other Non-Current Assets	**(112.66)**	31.46
Inventories	**(4,034.82)**	4,368.38
Trade Receivables	**(611.53)**	529.52
Short-term Loans, Financial Assets and Other Current Assets	**39.52**	(371.64)
	(3,212.77)	3,021.81
Cash Generated from / (Used in) Operations	**(507.92)**	14,938.75
Less: Direct Taxes Payments (Net)	**(315.92)**	(1,552.81)
Net Cash Generated from / (Used in) Operating Activities	**(823.84)**	13,385.94
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	**(3,529.48)**	(3,944.47)
Acquisition of Paint Business Assets	**(5,535.73)**	-
Proceeds from Sale of Property, Plant and Equipment	**59.06**	63.92
Advance received against Non-Current Assets held for disposal	**-**	127.34
Decrease / (Increase) in Bank Deposits	**5,726.95**	(8,977.52)
Interest income on Bank Deposits	**789.38**	636.03
Loan repayment received from Subsidiary	**-**	-
Dividend Income	**0.71**	-
Net Cash used in Investing Activities	**(2,489.11)**	(12,094.70)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares on exercise of Employee Stock options	**50.18**	26.25
Proceeds from Long-term Borrowings	**308.34**	157.56
Repayment of Long-term Borrowings	**(319.48)**	(332.35)

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
Proceeds from / (Repayment of) Short-term Borrowings (Net)	**4,063.48**	(555.72)
Payment of Lease Liabilities	**(144.35)**	(148.72)
Finance Costs Paid	**(436.25)**	(300.76)
Dividend Paid	**(525.36)**	(562.80)
Net Cash Generated from / (Used in) Financing Activities	**2,996.56**	(1,716.54)
Net increase in Cash and Cash Equivalents	**(316.39)**	(425.30)
Cash and Cash Equivalents at the beginning of the year	**412.78**	838.08
Cash and Cash Equivalents at the end of the year (Refer Note 2 below)	**96.39**	412.78

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Balances with Banks		
In Current Accounts	**96.39**	412.78
Cash and Cash Equivalents as at the end of the year (Refer Note 9)	**96.39**	412.78

3. **Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activites, to meet the disclosure requirement.

₹ in lakhs

Particulars	**Opening Balance**	**Cash Flows**	**Non Cash Changes**	**Closing Balance**
Short Term Borrowings	**1,277.75**	**4,063.48**	**-**	**5,341.23**
Long Term Borrowings (including Current maturities)	**761.20**	**(11.14)**	**-**	**750.06**

4 Purchase of Property, Plant and Equipment includes addition to Intangible Assets, Intangible Assets under Development and adjusted for movement in Capital Work-in-progress and Capital Advances.

5 Figures in bracket indicates cash outflows.

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M. S. Gilotra (DIN:00152190)
Managing Director

M.N. Rao (DIN:00027131)
Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1 Company Overview and Significant Accounting Policies:

A Company Overview:

Saurashtra Cement Limited ("the Company" or "the Holding Company") is a Public Limited Company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Ranavav, Gujarat, India. The Company is engaged in the business of manufacturing and selling of Cement.

The consolidated financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for publication at its meeting held on May 23, 2022.

B Principles of Consolidation:

i. These Consolidated Financial Statements (CFS) are prepared in accordance with Ind AS 110 - Consolidated Financial Statements, specified under Section 133 of the Companies Act, 2013.

ii. The financial statements of the Company and its Subsidiary ("the Group") have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

iii. As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.

iv. The excess of cost to the Company of its investment in the Subsidiary is recognised in the Consolidated Financial Statements as goodwill and the goodwill is amortised over a period of 10 years commencing from the date from which it arises.

C Subsidiary considered in the Consolidated Financial Statements is:

No.	Name of the Subsidiary Company	Country of Incorporation	Parent's holding as at March 31, 2022	Parent's holding as at March 31, 2021	Financial Year ends
i.	Agrima Consultants International Limited	India	**100.00%**	100.00%	March 31

D Significant Accounting Policies

1.1 Statement of Compliance:

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act''), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

1.2 Basis of Preparation and Presentation:

a) Basis of Preparation:

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities measured at fair value (Refer Note 1.18 being accounting policy regarding financial instruments)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Assets held for sale - measured at the lower of its carrying amount and fair value less estimated costs to sell
- Employee's Defined Benefit Plan measured as per actuarial valuation
- Assets and liabilities acquired under Business Combination (other than common control Business Combination) measured at fair value

b) **Functional and Presentation Currency:**

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Group and all values are rounded to the nearest lakhs, except when otherwise indicated.

c) **Classification of Assets and Liabilities into Current/Non-current:**

i. The Group presents assets and liabilities in the Consolidated Balance Sheet based on Current / Non-current classification.

ii. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as twelve months for the purpose of Current / Non-current classification of its Assets and Liabilities.

iii. An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

iv. A liability is classified as Current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- 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.

v. Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

1.3 Property, Plant and Equipment (PPE):

i. The Group has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and/or any accumulated impairment loss. An item of PPE is recognised as an asset, if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii. Items such as spare parts, stand-by equipment and servicing equipment are recognised under PPE, if those meet the definition thereof and are material, else, such items are classified as inventory.

iii. The cost comprises of - purchase price (net of subsidy, if any) including import duties, non-recoverable purchase taxes and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

iv. Items of PPE, which are not yet ready to be capable of operating in the manner intended by management are carried at cost (unless impaired) and are disclosed as “Capital Work-in-progress”. Pre-operative Expenditure and cost relating to borrowed funds attributable to the construction or acquisition upto the date asset is ready for use is included under Capital Work-in-Progress. The same is allocated to the respective items of PPE on its completion for satisfactory commercial commencement.

1.4 Depreciation / Amortisation:

i. Depreciation on PPE is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation (other than Jetty and Premium on Leasehold Land) is provided on the “Straight-line Method” as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The residual value and the useful life of an asset is reviewed at least at each financial year-end and if expectations differ from previous estimates, the change is recognised in the Consolidated Statement of Profit and Loss with appropriate disclosure thereof.

ii. Where the cost of a part of the asset which is significant to the total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, the Group has determined the useful life of that significant part separately (“Component Accounting”). However, if the useful life of the identified part is higher than the useful life of the related items of PPE, the life of such identified part is restricted upto the life of the related items of PPE. The Group has adopted such basis for the purpose of providing depreciation as per the useful life of tangible items of PPE.

iii. Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and from the date, the asset is derecognised.

iv. Cost of Leasehold Land of material amount is amortised on a Straight-line basis over its lease period.

1.5 Non-current Assets held for sale:

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

1.6 Intangible Assets:

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life of Intangible assets is mentioned below:

Trademarks - 10 years

Computer Software - 3 years

Licenses and Permissions - 3 years

Trademarks with infinite life and Goodwill arising on Business Combination are tested for impairment at each Balance Sheet date.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

1.7 Leases:

The Group's leased assets consist of leases for buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 as per the terms of the lease.

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 subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1.8 Impairment of Non-financial Assets:

i. The Group at the end of each reporting period, assesses the carrying amounts of Non-financial Assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of that asset is estimated in order to determine the extent of the impairment loss, if any.

ii. Recoverable amount is the higher of fair value less costs of disposal and value in use. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

iii. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

iv. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories:

Inventories are valued as follows:

i. **Raw materials, Fuels, Stores and spare parts and Packing materials -** At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.

ii. **Work-in-progress (WIP), Finished goods and Stock-in-trade -** At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

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

1.10 Revenue and Income Recognition:

A Revenue from Contracts with Customers

i. Revenue from contracts with customers for sale of goods is recognised when the Group satisfies performance obligation by transferring promised goods to the customer at an amount that reflects the consideration which the Group is expected to be entitled to in

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

exchange for those goods. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt.

Revenue is measured at the amount of transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, incentives and applicable Goods and Services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales rebates, discounts and incentives.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognized at the time of the sale. Revenue is recognized when the points are redeemed or on expiry.

ii. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading/ Mate Receipt.

B Other Operating Revenue - Export entitlement

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

C Income Recognition

i. Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer.

ii. Dividend income from investments is recognised when the Group's right to receive dividend is established.

iii. Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest.

1.11 Foreign Currency Transactions:

i. Transactions in foreign currency (Monetary or Non-monetary items) are recorded at the exchange rate prevailing on the date of the transaction.

ii. Monetary items (i.e. receivables, payables, loans etc.), which are denominated in foreign currency are translated at the spot rates of exchange of functional currency at the reporting date.

iii. Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

iv. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the Consolidated Statement of Profit and Loss for the period in which they arise.

1.12 Employee share based payments:

i. Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

iii. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

iv. The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share.

1.13 Employee Benefits:

i. **Defined contribution plan:** The Company's superannuation scheme and state governed provident fund scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the year in which the employees render the related service.

ii. **Defined benefit plan - Gratuity:** In accordance with applicable Indian Laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Actuary. The Company has an employees gratuity fund managed by the Life Insurance Corporation of India ("LIC").

Remeasurement comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), is reflected immediately in the Consolidated Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement is not reclassified to Consolidated Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in the Consolidated Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date when the Company recognises related restructuring costs

iii. **Compensated Absences:** As per policy of the Company, it allows for the encashment of absence or absence with pay to its employees. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the year in which the employees render the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an Actuarial valuation. Actuarial gains/losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iv. **Other short term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered and is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

1.14 Borrowing Costs:

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalised, net of income earned on temporary investments from such borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Consolidated Statement of Profit and Loss as expense in the year in which the same are incurred.

1.15 Segment Reporting:

Primary Segment is identified based on the nature of products, the different risks and returns and the internal business reporting system. Secondary Segment is identified based on the geographic location of its customers.

1.16 Taxation:

i. **Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period in accordance with the provisions of the Income-tax Act, 1961.

ii. **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Tax relating to items recognised in equity or OCI is recognised directly in equity or OCI and not in the Consolidated Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

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

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

The Group offsets on a year on year basis, the deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets and liabilities and where it intends to settle such assets and liabilities on a net basis.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1.17 Provisions, Contingent Liabilities and Contingent Assets:

i. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

ii. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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 Group.

iii. Contingent assets are neither recognised nor disclosed.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

1.18 Financial Instruments:

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

ii. Financial assets:

Initial recognition and measurement:

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

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

- Financial Assets at amortised cost
- Equity investments measured at fair value through Other Comprehensive Income (FVTOCI)

iii. Debt instruments at amortised cost:

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and loss.

iv. Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However the Group may transfer the cumulative gain or loss within equity. The Group has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

v. Derecognition of financial asset:

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

vi. Impairment of financial assets:

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Group's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for doubtful debts based on specific identification. The Group will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

vii. Financial liabilities:

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

viii. Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

ix. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.19 Fair Value Measurement:

i. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

ii. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

iv. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
- Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.

v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.20 Cash and Cash Equivalents:

Cash and cash equivalents in the Consolidated Balance Sheet comprise cash at banks and in hand and short-term deposits with banks with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value.

1.21 Business Combination:

Business combinations (other than common control business combinations) are accounted for using the acquisition method. The consideration transferred by the Group to obtain control of a business is measured at fair value at acquisition date and includes the fair value of any contingent consideration.

Acquisition related costs are recognised in the Consolidated Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. However, deferred tax asset or liability and any asset or liability relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Company after assessing fair value of all identified assets and liabilities, records the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity.

1.22 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

1.23 Earnings Per Share:

i. Basic Earnings per share (EPS) is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

ii. Diluted EPS is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders adjusted for the effects of potential dilution of equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

1.24 Recent pronouncements:

The Ministry of Corporate Affairs ("MCA") through a notification of March 23, 2022, introduced the Companies (Indian Accounting Standards) Amendment Rules, 2022 to amend the Companies (Indian Accounting Standards) Rules, 2015 which come into force with effect from April 1, 2022. The following are the amendments:

Ind AS 103 - Business Combination:

The amendment specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

For example, costs the acquirer expects but is not obliged to incur in the future to effect its plan to exit an activity of an acquiree or to terminate the employment of or relocate an acquiree's employees are not liabilities at the acquisition date.

Therefore, the acquirer does not recognise those costs as part of applying the acquisition method and instead, the acquirer recognises those costs in its post combination financial statements in accordance with other Ind AS.

This amendment does not significantly change the requirements of Ind AS 103 and the Group does not expect the amendment to have any significant impact in its consolidated financial statements.

Ind AS 109 - Financial Instruments:

The amendment clarifies that while performing the '10 percent test' for derecognition of a financial liability, for computing the discounted present value of the cash flows under the new terms, for determining fees paid net of fees received, a borrower should include only fees paid or received

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

between borrower and lender, including fees paid or received by either the borrower or lender on the other's behalf.

This amendment is under Annual Improvements to Ind AS (2021).

The Group does not expect the above amendment/improvement to have any significant impact in its consolidated financial statements.

Ind AS 16 - Property Plant and equipment:

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, is not to be recognised in the profit or loss but is to be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect this amendment to have any significant impact on recognition of property, plant and equipment in its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both, the incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment also provides for transitional provisions for contracts for which the entity has not yet fulfilled its obligations. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

The amendments to Ind AS 101 - First Time Adoption and Ind AS 41 – Agriculture have not been specified here since both Standards are presently not applicable to the Group.

C Critical accounting judgements, estimates and assumptions:

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. **Useful Lives of Property, Plant and Equipment:**

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii. **Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the Consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

iii. **Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iv. **Defined benefit plans:**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. **Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take into account of changing facts and circumstances.

vi. **Share-based payments:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2 Property, Plant and Equipment, etc.

₹ in lakhs

	Gross Block					Depreciation, Amortisation and Impairment				Net Block	
	As at April 01, 2021	Additions / Adjustments	Acquisition through Business Combination [Refer note 44]	Deductions / Adjustments	As at March 31, 2022	As at April 01, 2021	For the Year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment											
Freehold land	11,236.77	-	-	-	11,236.77	-	-	-	-	11,236.77	11,236.77
Leasehold land [Refer Note (i) and (ii)]	0.09	-	930.48	-	930.57	-	12.15	-	12.15	918.42	0.09
Buildings and Jetty [Refer Note (iii)]	8,036.84	1.36	1,891.55	-	9,929.75	3,993.53	235.27	-	4,228.80	5,700.95	4,043.31
Plant and equipments	47,259.39	1,476.17	139.19	80.93	48,793.82	30,751.88	1,313.34	76.87	31,988.35	16,805.47	16,507.51
Furniture and Fixtures	2,180.42	164.60	0.01	5.87	2,339.16	1,181.84	144.92	5.74	1,321.02	1,018.14	998.58
Vehicles	2,254.05	459.16	0.94	139.94	2,574.21	1,195.75	202.41	84.35	1,313.81	1,260.40	1,058.30
Office equipments	1,312.97	285.62	3.48	22.96	1,579.11	899.42	156.30	21.25	1,034.47	544.64	413.55
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	-	-	256.80	151.82	8.60	-	160.42	96.38	104.98
Total	72,537.33	2,386.91	2,965.65	249.70	77,640.19	38,174.24	2,072.99	188.21	40,059.02	37,581.17	34,363.09
Capital Work-in-Progress [Refer Note (iv), (vi), (vii) and (viii)]	10,576.90	1,178.10	-	406.45	11,348.55	4,597.78	-	-	4,597.78	6,750.77	5,979.12
Right of Use Assets [Refer Note 36]	394.63	80.29	-	169.09	305.83	241.39	129.23	165.41	205.21	100.62	153.24
Goodwill	95.27	-	222.47	-	317.74	95.27	-	-	95.27	222.47	-
Intangible Assets											
Other than internally generated											
Trademarks	-	-	2,163.11	-	2,163.11	-	31.59	-	31.59	2,131.52	-
Computer softwares	249.42	18.13	61.50	-	329.05	241.81	27.18	-	268.99	60.06	7.61
Licenses and Permissions	-	-	123.00	-	123.00	-	11.29	-	11.29	111.71	-
Total	249.42	18.13	2,347.61	-	2,615.16	241.81	70.06	-	311.87	2,303.29	7.61
Intangible Assets under Development [Refer Note (ix)]	76.75	450.49	-	-	527.24	-	-	-	-	527.24	76.75
Grand Total	83,930.30	4,113.92	5,535.73	825.24	92,754.71	43,350.49	2,272.28	353.62	45,269.15	47,485.56	40,579.81

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2 Property, Plant and Equipment, etc.

₹ in lakhs

	Gross Block				Depreciation, Amortisation and Impairment				Net Block
	As at April 01, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021
Property, Plant and Equipment									
Freehold land	11,236.77	-	-	11,236.77	-	-	-	-	11,236.77
Leasehold land	0.09	-	-	0.09	-	-	-	-	0.09
[Refer Note (i)]									
Buildings and Jetty	8,035.74	1.10	-	8,036.84	3,841.71	151.82	-	3,993.53	4,043.31
[Refer Note (iii)]									
Plant and equipments	46,424.79	887.41	52.81	47,259.39	29,550.13	1,245.68	43.93	30,751.88	16,507.51
Furniture and Fixtures	2,046.75	151.60	17.93	2,180.42	1,081.02	116.74	15.92	1,181.84	998.58
Vehicles [Refer Note (v)]	2,277.03	328.37	351.35	2,254.05	1,245.52	196.22	245.99	1,195.75	1,058.30
Office equipments	1,144.42	181.57	13.02	1,312.97	769.24	141.91	11.73	899.42	413.55
Railway siding, weighbridge, rolling stock and locomotives	256.80	-	-	256.80	143.22	8.60	-	151.82	104.98
Total	71,422.39	1,550.05	435.11	72,537.33	36,630.84	1,860.97	317.57	38,174.24	34,363.09
Capital Work-in-Progress [Refer Note (iv), (vi), (vii) and (viii)]	8,391.56	2,383.21	197.87	10,576.90	4,597.78	-	-	4,597.78	5,979.12
Right of Use Assets [Refer Note 36]	397.47	4.09	6.93	394.63	111.77	136.16	6.54	241.39	153.24
Goodwill	95.27	-	-	95.27	95.27	-	-	95.27	-
Intangible Assets									
Other than internally generated									
Computer softwares	250.81	0.43	1.82	249.42	237.03	6.51	1.73	241.81	7.61
Intangible Assets under Development [Refer Note (ix)]	-	76.75	-	76.75	-	-	-	-	76.75
Grand Total	80,557.50	4,014.53	641.73	83,930.30	41,672.69	2,003.64	325.84	43,350.49	40,579.81

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

i. Besides the land specified above, the Company holds other leasehold land for which only ground rent is payable.

ii. Details of Immovable Properties whose Title deeds are not held in the name of the Company:

Description of item of property	Gross carrying amount ₹ in lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in name of the company
Leasehold Land admeasuring 12455 sq. mt. at Gotan, Dist. Nagaur, Rajasthan.	122.10	M/s Snowcem Paints Private Limited	No	May 01, 2021	Approval for transfer of land from District Collector, Nagaur was pending. Transfer deed is executed and registered on April 21, 2022.

iii. Buildings and Jetty include a Private Jetty having a gross block of ₹ 2,411.45 lakhs (net block ₹ 120.57 lakhs), constructed by the Company under the license to use agreement with Gujarat Maritime Board (GMB) on the land provided by them. The present agreement is for 10 years effective from November 01, 2015 and valid upto October 31, 2025.

iv. Capital Work-in-progress includes amount of ₹ 94.78 lakhs (Previous Year: ₹ 2.78 lakhs) towards improvement on Private Jetty, referred above.

v. The deductions under the gross block of Vehicles includes an amount of ₹ Nil (Previous Year: ₹ 89.19 lakhs) in respect of certain vehicles held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell. In this respect, loss of ₹ Nil (Previous Year: ₹ 8.01 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under Other Expenses - Miscellaneous Expenses.

vi. **Impairment of Assets:**

a. The Company had incurred an aggregate sum of ₹ 8,107.17 lakhs (Previous Year: ₹ 8,107.17 lakhs) towards Expansion Project Assets and shown the same under Capital Work-in-progress (CWIP). The expenditure includes cost of imported plant purchased (including related stores and spares), civil work carried out and pre-operative expenses (including interest capitalised). During earlier years, spares of the value of ₹ 215.07 lakhs were consumed resulting to closing balance of CWIP at ₹ 7,892.10 lakhs.

b. In the year 2005, due to several adversities, the project was suspended. However, the Company intends to install the assets at a later date, depending on market conditions. The fair value of assets is estimated at ₹ 4,473.46 lakhs based on valuation report of the registered valuer. This value is higher than the carrying value of the assets after considering impairment loss of ₹ 4,597.78 lakhs as at March 31, 2021. In view of the same, no further provision for impairment has been made during the current financial year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

vii. Capital Work-in-Progress: Ageing

As at March 31, 2022 **₹ in lakhs**

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	**2,283.70**	**840.98**	**267.23**	**64.54**	**3,456.45**
Projects temporarily suspended [(Refer Note (vi)]	**-**	**-**	**-**	**3,294.32**	**3,294.32**
	2,283.70	**840.98**	**267.23**	**3,358.86**	**6,750.77**

As at March 31, 2021 ₹ in lakhs

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Improvements within Cement Plant	1,585.43	985.07	96.80	17.50	2,684.80
Projects temporarily suspended [(Refer Note (vi)]	-	-	-	3,294.32	3,294.32
	1,585.43	985.07	96.80	3,311.82	5,979.12

viii. Capital Work-in-Progress: Completion Schedule

Capital-work-in progress, whose completion is overdue compared to its original plan.

As at March 31, 2022 **₹ in lakhs**

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Improvements within Cement Plant				
Installation of Air Cooled Condenser for Thermal Power Plant (TPP)	**1,365.19**	**-**	**-**	**-**
Projects temporarily suspended				
Expansion Project [(Refer Note (vi)]	**-**	**-**	**3,294.32**	**-**

As at March 31, 2021 ₹ in lakhs

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Improvements within Cement Plant				
Installation of Air Cooled Condenser for Thermal Power Plant (TPP)	-	1,250.08	-	-
Projects temporarily suspended				
Expansion Project [(Refer Note (vi)]	-	-	-	3,294.32

ix. Intangible Assets under Development: Ageing

As at March 31, 2022 **₹ in lakhs**

Particulars	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress: ERP Implementation	**450.49**	**76.75**	**-**	**-**	**527.24**
	450.49	**76.75**	**-**	**-**	**527.24**

As at March 31, 2021 ₹ in lakhs

Particulars	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress: ERP Implementation	76.75	-	-	-	76.75
	76.75	-	-	-	76.75

x. Refer Note 16.1 and 19.1 for information on Property, Plant and Equipment hypothecated as security.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

				As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
3	**Non-current Investments**				
	Investments measured at Fair Value through Other Comprehensive Income:				
	In Equity Instruments of Others				
	i) Quoted (Fully paid equity shares)				
Face Value ₹ per share	**Investee company**	**No. of Shares Current Year**	No. of Shares Previous Year		
10	MTZ (India) Limited	870,500	870,500	0.02	0.02
10	MTZ Polyfilms Limited	3,000,000	3,000,000	0.10	0.10
2	Bank of Baroda	22	22	0.02	0.02
10	Gujarat Sidhee Cement Limited	2,285,912	2,285,912	912.08	758.92
10	ACC Limited	1	1	0.02	0.02
2	Ambuja Cements Limited *	1	1	-	-
10	India Cement Limited *	1	1	-	-
5	JK Lakshmi Cements Limited	1	1	0.01	-
10	Mangalam Cement Limited *	1	1	-	-
10	Prism Johnson Limited *	1	1	-	-
10	Shree Digvijay Cement Co. Limited *	1	1	-	-
10	Ultratech Cement Limited	1	1	0.07	0.07
10	Zuari Agro Chemicals Limited *	1	1	-	-
10	Zuari Global Limited *	1	1	-	-
				912.32	759.15
	ii) Unquoted (Fully paid equity shares)				
0.1	Chennai Super Kings Cricket Limited*	1	1	-	-
50	Rajkot Nagrik Sahakari Bank Limited	2,001	2,001	1.00	1.00
10	Saraswat Co-op Bank Limited	5,000	5,000	0.50	0.50
				1.50	1.50
	* Each investment is less than ₹ 0.01 lakhs			913.82	760.65
	Aggregate Carrying Value of:				
	Quoted investments			912.32	759.15
	Unquoted investments			1.50	1.50
				913.82	760.65
	Aggregate Market Value of quoted investments			912.32	759.15

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
4	**Loans**		
	Considered Good - Unsecured		
	Staff Loans	8.50	4.94
		8.50	4.94

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
5	**Other Financial Assets**		
	Security Deposits		
	For supply of Power - credit impaired	224.27	224.27
	Others	216.57	103.84
		440.84	328.11
	Less : Provision for impairment	224.27	224.27
		216.57	103.84
	Fixed Deposits with Bank with maturity greater than 12 months		
	Kept as Margin Money against Guarantees	-	50.00
		216.57	153.84

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
6	**Other Non-current Assets**		
	Capital Advances	1,469.47	1,567.17
	Advances other than Capital Advances		
	Taxes Paid (Net of Provision of ₹ 112.85 lakhs, Previous Year: ₹ Nil)	782.99	674.25
	Pre-deposit Balances with Statutory / Government Authorities against appeals	138.13	137.68
	Prepaid Expenses	16.87	21.04
		2,407.46	2,400.14

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
7	**Inventories**		
	Raw Materials	1,333.15	632.59
	Packing Materials	370.13	226.99
	Work-in-progress	2,071.44	457.34
	Finished Goods	1,169.00	615.94
	Fuels (includes in transit of ₹ Nil, Previous Year: ₹ 1,231.03 lakhs)	3,454.59	2,704.56
	Stores and Spare Parts (includes in transit of ₹ 30.76 lakhs, Previous Year: ₹ Nil)	1,233.86	959.93
		9,632.17	5,597.35

The cost of inventories recognised as an expense during the year is disclosed in Notes 27, 28, 29 and 32.

There has been no write down of inventory or reversal of such write down in current and previous year.

For mode of valuation of inventories : Refer Note 1.9

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
8	**Trade Receivables**		
	Considered Good - Unsecured		
	Amounts Receivable from a related party [Refer Note 38.2(B)(ii)]	-	28.98
	Others	3,513.37	2,872.86
	Trade Receivables - credit impaired	13.74	13.74
		3,527.11	2,915.58
	Less : Provision for impairment	13.74	13.74
		3,513.37	2,901.84

8.1 Trade Receivables: Ageing

As at March 31, 2022 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured							
Undisputed	1,250.30	2,234.25	7.18	4.86	-	-	3,496.59
Disputed	-	-	-	-	0.03	16.75	16.78
Trade Receivables - credit impaired							
Undisputed	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	13.74	13.74
Less : Provision for impairment	-	-	-	-	-	(13.74)	(13.74)
	1,250.30	2,234.25	7.18	4.86	0.03	16.75	3,513.37

As at March 31, 2021 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured							
Undisputed	867.28	1,998.19	7.43	7.58	2.08	-	2,882.56
Disputed	-	-	-	0.03	15.84	3.41	19.28
Trade Receivables - credit impaired							
Undisputed	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	13.74	13.74
Less : Provision for impairment	-	-	-	-	-	(13.74)	(13.74)
	867.28	1,998.19	7.43	7.61	17.92	3.41	2,901.84

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
9	**Cash and Cash Equivalents**		
	Balances with Banks		
	In Current Accounts	96.39	412.78
		96.39	412.78

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
10	**Bank Balances other than Cash and Cash Equivalents**		
	Deposits with Banks (Maturity below 12 months from the date of Consolidated Balance Sheet)		
	Kept as Margin Money against Guarantees and Letter of Credit	**1,271.40**	4,425.08
	Kept as Security against Overdraft (Refer Note 19.1)	**3,706.00**	3,733.74
	Others	**7,716.47**	10,212.00
		12,693.87	18,370.82
	Earmarked Balances		
	For Unpaid Dividend and Redemption of Preference Shares	**24.03**	22.38
		24.03	22.38
		12,717.90	18,393.20

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
11	**Loans**		
	Considered Good - Unsecured		
	Staff Loans	**6.14**	4.65
		6.14	4.65

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
12	**Other Financial Assets**		
	Interest accrued on Fixed Deposits	**168.63**	261.93
	Export Benefits Receivable	**7.28**	-
	Income Receivable	**4.68**	2.27
		180.59	264.20

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
13	**Other Current Assets**		
	Considered Good - Unsecured		
	Advances		
	Balances with Statutory / Government Authorities	**305.15**	213.57
	Advances Against Purchase of Raw Materials, Stores and Spares	**346.90**	499.35
	Prepaid Expenses	**163.58**	171.95
	Travelling Advance to a Director [Refer Note 38.2(B)(i)(c)]	**-**	2.67
	Others	**143.52**	122.69
	Non-current Assets held for Disposal [Refer Note 2(v)]	**-**	66.77
		959.15	1,077.00
	Considered Doubtful		
	Advances Against Purchase of Stores and Spares	**24.46**	24.46
		983.61	1,101.46
	Less : Provision for Doubtful advances	**24.46**	24.46
		959.15	1,077.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
14 Equity Share Capital				
Authorised				
Equity Shares of ₹ 10 par value	**229,600,000**	**22,960.00**	229,600,000	22,960.00
		22,960.00		22,960.00
Issued				
Equity Shares of ₹ 10 par value	**70,329,057**	**7,032.91**	69,833,644	6,983.36
		7,032.91		6,983.36
Subscribed				
Equity Shares of ₹ 10 par value				
Subscribed and Fully Paid Up	**70,313,788**	**7,031.38**	69,818,375	6,981.84
Equity Shares - forfeited	**15,269**	**0.31**	15,269	0.31
(₹ 2 per share paid up)		**7,031.69**		6,982.15

14.1 Reconciliation of the number of shares outstanding and amount of share capital

	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares of ₹ 10 par value				
At the beginning of the year	**69,818,375**	**6,981.84**	69,518,449	6,951.84
Shares issued during the year on exercise of employee stock options	**495,413**	**49.54**	299,926	30.00
At the end of the year	**70,313,788**	**7,031.38**	69,818,375	6,981.84

14.2 Rights, Preferences and Restrictions

Equity Shares

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

ii. The Company declares and pays dividend in Indian rupees. The final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.

iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. At present, there is no outstanding Preference Shares.

iv. In respect of share based payments granted to employees (Employee Stock Options), refer Note 41.

14.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	Numbers	% to total shares	Numbers	% to total shares
Equity Shares				
Villa Trading Company Private Limited #	**-**	**-**	13,658,167	19.56%
Gujarat Sidhee Cement Limited #	**13,658,267**	**19.42%**	100	0.00%
Parsec Enterprises Private Limited *	**-**	**-**	13,538,370	19.39%
Omna Enterprises LLP *	**10,522,431**	**14.96%**	-	-
Mehta Investments Mauritius Limited *	**20,190,939**	**28.72%**	17,175,000	24.60%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

14.4 Details of shares held by the Promoters

Sr. No.	Name of Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
		Numbers	% to total shares	Numbers	% to total shares	
i.	Mahendra N Mehta	28,480	0.04	28,480	0.04	-
ii.	Sunayana M Mehta	6,000	0.01	6,000	0.01	-
iii.	Jay M Mehta	14,630	0.02	14,630	0.02	-
iv.	Juhi Chawla Mehta	24,650	0.04	24,650	0.04	-
v.	Radha Mahendra Mehta	5,100	0.01	5,100	0.01	-
vi.	Arjun Jay Mehta	1,656,712	2.36	1,656,712	2.37	(0.01)
vii.	Jahnavi Jay Mehta	1,656,713	2.36	1,656,713	2.37	(0.01)
viii.	Dhirendra N Mehta (Deceased)	44,050	0.06	44,050	0.06	-
ix.	Medhavini D Mehta	90,634	0.13	90,634	0.13	-
x.	Hemang D Mehta	51,534	0.07	51,534	0.07	-
xi.	Umade D Mehta	26,000	0.04	26,000	0.04	-
xii.	Kamalakshi D Mehta	18,400	0.03	18,400	0.03	-
xiii.	Anisha Hemang Mehta	100	0.00	100	0.00	-
xiv.	Devika Kallergis	100	0.00	100	0.00	-
xv.	Nirmala Ranvir Khatau	12,935	0.02	12,935	0.02	-
xvi.	Anandita Sudhir Shah	84,415	0.12	84,415	0.12	-
xvii.	Trishala Vikas Tandon	84,415	0.12	84,415	0.12	-
xviii.	Subash Chandra Khanna	130,000	0.18	130,000	0.19	-
xix.	Promilla Khanna	650,000	0.92	650,000	0.93	(0.01)
xx.	Arja Shridhar	200,000	0.28	200,000	0.29	-
xxi.	Mehta Investments Mauritius Limited *	20,190,939	28.72	17,175,000	24.60	4.12
xxii.	The Mehta International Ltd	3,750	0.01	3,750	0.01	-
xxiii.	The Mehta International Mauritius Limited	1,773,599	2.52	1,773,599	2.54	(0.02)
xxiv.	Pallor Trading Company Private Limited	25,136	0.04	25,136	0.04	-
xxv.	Sameta Exports Private Limited +	-	0.00	123,531	0.18	(0.18)
xxvi.	Parsec Enterprises Private Limited *	-	0.00	13,538,370	19.39	(19.39)
xxvii.	Galaxy Technologies Private Limited +	123,531	0.18	-	-	0.18
xxviii.	Omna Enterprises LLP *	10,522,431	14.96	-	-	14.96
xxix.	Villa Trading Company Private Limited #	-	-	13,658,167	19.56	(19.56)
xxx.	Gujarat Sidhee Cement Limited #	13,658,267	19.42	100	0.00	19.42
		51,082,521	72.65	51,082,521	73.16	(0.49)

* Shares held by Parsec Enterprises Private Limited stands cancelled and equivalent number of shares have been issued to their shareholders, viz. Mehta Investments Mauritius Limited and Omna Enterprises LLP, pursuant to merger of Parsec Enterprises Private Limited with the Company vide NCLT Order dated April 26, 2021.

\+ Shares held by Sameta Exports Private Limited are transferred to Galaxy Technologies Private Limited, pursuant to their merger vide NCLT Order dated October 26, 2020.

\# Shares held by Villa Trading Company Private Limited are transferred to Gujarat Sidhee Cement Limited, pursuant to their merger vide NCLT Order dated June 22, 2021.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

14.5 Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options	443,689	44.37	945,463	94.55

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
15	**Other Equity**		
i.	**Share Application Money pending allotment**	1.84	1.20
ii.	**Reserves and Surplus**		
a.	**Capital Reserve**	2,712.70	2,712.70
b.	**Capital Redemption Reserve**	737.60	737.60
c.	**Securities Premium Account**		
	Balance as at the beginning of the year	11,039.99	10,814.05
	Add: Exercise of Employee Stock Options	372.92	225.94
		11,412.91	11,039.99
d.	**Share Options Outstanding**		
	Balance as at the beginning of the year	720.30	844.44
	Add: Share based payments to employees	-	109.76
	Less: Employee Stock Options Exercised	(372.92)	(225.94)
	Less: Vested Employee Stock Options Lapsed	-	(7.96)
		347.38	720.30
e.	**General Reserve**	5,786.29	5,786.29
f.	**Retained Earnings**		
	Balance as at the beginning of the year	27,242.52	20,587.75
	Add: Profit for the year	396.73	7,229.18
	Add/(Less): Remeasurement gain / (loss) on defined benefit plan (net of tax)	10.60	(19.57)
	Add: Vested Employee Stock Options Lapsed	-	7.96
	Less: Appropriations		
	Dividend on Equity Shares	525.36	562.80
		27,124.49	27,242.52
iii.	**Equity Instruments through Other Comprehensive Income**		
	Balance as at the beginning of the year	(2,942.50)	(3,349.45)
	Add/(Less): Effect of measuring Equity Instruments on Fair Value	153.17	406.95
		(2,789.33)	(2,942.50)
		45,333.88	45,298.10

The description of the nature and purpose of each reserve within equity is as follows :

a. **Share application money pending allotment**

It represents share application money received from employees on exercise of stock options for which allotment of 18,361 equity shares (Previous Year: 12,000 equity shares) is pending as at the year end.

b. **Capital Reserve**

It represents reserve created on capital receipt.

c. **Capital Redemption Reserve**

This reserve was created on redemption of Preference Shares by transfer from General Reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

d. **Securities Premium**

It represents the amount of premium over face value on shares issued.

e. **Share Options Outstanding**

The Company has Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 41 for further details of the plan.

f. **General Reserve**

The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. General reserve is a free reserve available to the Company.

g. **Retained Earnings**

Retained Earnings are the profits that the Group has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

h. **Equity Instruments through Other Comprehensive Income**

This represents cumulative gains / (losses) arising on the measurement of equity shares (other than subsidiaries and associate) at fair value through other comprehensive income.

	Non-Current		Current maturities of Long-term borrowings *	
	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
16 Non-Current Borrowings				
Secured				
Term Loans				
From Banks	**407.25**	426.92	**307.58**	284.29
From Others	**22.97**	35.23	**12.26**	14.76
	430.22	462.15	**319.84**	299.05

* Amount disclosed under the head 'Borrowings' (Note 19).

16.1 A Security and Repayment Terms:

i. Term Loans are repayable in 36 to 60 equated monthly instalments carrying varied interest from 7% to 9.1% p.a. These loans are secured by hypothecation of vehicles and equipment financed there under.

ii. The Company has registered charges which are required to be registered with the Registrar of Companies (ROC) within the time limit except charge in respect of vehicle loans taken from HDFC Bank Limited and BMW Financial Services India Private Limited ('the lenders') for which the lenders did not require the Company to create the charge as vehicles were hypothecated in favour of the lenders with Regional Transport Office (RTO) as per the provisions of The Motor Vehicles Act, 1988. The principal amount of such loans as continued is ₹ 349.92 lakhs, the balance of which is ₹ 163.64 lakhs as at March 31, 2022.

The Company has registered satisfaction of charges which are required to be registered with the Registrar of Companies (ROC) within the time limit except satisfaction of charge in respect of loans taken from SREI Infrastructure Finance Limited ("the lender") due to non receipt of No Objection Certificate from the lender. The Company has repaid entire dues and there is no outstanding balance to the lender as at March 31, 2022.

B The Company has utilised funds raised from borrowings from banks and financial institutions for the specific purposes for which they were taken.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
17 Provisions		
For Employee Benefits (Refer Note 36)		
Gratuity	**732.00**	967.14
Compensated absences	**322.13**	315.53
	1,054.13	1,282.67

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
18 Deferred Tax Liabilities (net)		
Deferred Tax Liabilities (Refer Note 40)	**6,672.37**	6,357.88
Deferred Tax Assets (Refer Note 40)	**(4,706.35)**	(4,652.16)
	1,966.02	1,705.72

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
19 Short-term Borrowings		
Secured		
Loans Repayable on Demand from Banks		
Cash Credit	**759.69**	999.98
Working Capital Demand Loan	**2,000.00**	-
Overdraft	**2,581.54**	277.77
Current Maturities of Long-term borrowings (Refer Note 16.1)		
Term Loans		
From Banks	**307.58**	284.29
From Others	**12.26**	14.76
	319.84	299.05
	5,661.07	1,576.80

19.1 Security:

Cash Credit / Working Capital Demand Loan

The Working Capital facilities are secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future. Cash Credit and Working Capital Demand Loan carries interest rate @ 8.20% p.a. and 5.15% respectively. It is also secured by Equitable Mortgage of Factory Land & Building and personal guarantee of one Director of the Company.

Overdraft

Overdraft from bank is secured against lien of deposits with bank of ₹ 3,706.00 lakhs (Previous Year: ₹ 3,733.74 lakhs) - Refer Note 10.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

19.2 Disclosure of borrowings obtained on the basis of security of current assets

The Company has Working Capital limit of ₹ 7,500 lakhs for its cement plant comprising of fund-based limit of ₹ 3,000 lakhs and non-fund based limit of ₹ 4,500 lakhs. For the said fund-based limit, the Stock and Debtors statement submitted at the quarter end are in agreement with the books of account other than those as set out below.

₹ in lakhs

Quarter ended	Name of bank	Particulars of Securities provided	Amount as per books of account (Excluding Paint Division)	Amount as reported in the quarter end statement	Amount of difference	Reason for material discrepancies
FY 2021-22						
June 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**10,062.88**	**9,551.86**	**(511.02)**	i. Receivable from related party, debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 214.98 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.
September 30, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**8,625.81**	**8,297.44**	**(328.37)**	i. Debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 87.37 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of statement to the bank.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021	HDFC Bank Limited	Inventories and Trade Receivables	**14,321.85**	**10,456.91**	**(3,864.94)**	i. Stock under letter of credit, debtors for other operating revenue and outstanding debtors>120 days, amounting to ₹ 3,870.45 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Limited Review for the quarter, after submission of staementto the bank.
March 31, 2022	HDFC Bank Limited	Inventories and Trade Receivables	**11,987.52**	**12,041.07**	**53.55**	i. Debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 75.25 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.
FY 2020-21*						
March 31, 2021	HDFC Bank Limited	Inventories and Trade Receivables	8,499.19	6,802.60	(1,696.59)	i. Stock in transit, receivable from related party, debtors for other operating revenue and outstanding debtors > 120 days, amounting to ₹ 1,776.72 lakhs in aggregate, are not considered by the bank for drawing power calculation and hence not reported in the statement submitted to the bank. ii. Change in value after completion of Statutory Audit for the year, after submission of statement to the bank.

* The Working Capital facility was sanctioned in the month of September 2020. The first statement was submitted for the month of February 2021.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
20	**Trade Payables**		
	Due to Related Party [Refer Note 38.2(B)(ii)]	**10.79**	-
	Due to Micro and Small enterprises	**127.10**	85.41
	Due to Others	**4,678.98**	3,611.16
		4,816.87	3,696.57

20.1 Trade Payables: Ageing

As at March 31, 2022 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Related Party						
Undisputed	-	10.79	-	-	-	10.79
Due to Micro and Small enterprises						
Undisputed dues	127.00	0.10	-	-	-	127.10
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	3,040.95	1,494.54	49.52	87.37	6.60	4,678.98
Disputed dues	-	-	-	-	-	-
	3,167.95	1,505.43	49.52	87.37	6.60	4,816.87

As at March 31, 2021 ₹ in lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to Related Party						
Undisputed						
Due to Micro and Small enterprises						
Undisputed dues	85.20	0.21	-	-	-	85.41
Disputed dues	-	-	-	-	-	-
Due to Others						
Undisputed dues	3,198.84	278.41	90.58	8.10	35.23	3,611.16
Disputed dues	-	-	-	-	-	-
	3,284.04	278.62	90.58	8.10	35.23	3,696.57

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
20.2	Additional disclosure in respect of dues to Micro, Small and Medium enterprises pursuant to Micro, Small and Medium Enterprises Development Act, 2006 :		
	i. Principal amount remaining unpaid	127.10	85.41
.	ii. Interest accrued on the above amount and remaining unpaid	-	-
	iii. Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
	iv. Interest paid in terms of Section 16	-	-
	v. Interest due and payable for payments already made	-	-
	vi. Interest accrued and remaining unpaid	-	-
	vii. Amount of further interest remaining due and payable even in succeeding years	-	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the Group regarding the status of suppliers under the MSME.

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
21	**Other Financial Liabilities**		
	Interest accrued but not due on borrowings	3.27	3.38
	Unpaid Dividends	24.18	22.54
	Amounts Payable on Redemption of Preference Shares	0.24	0.30
	Security Deposits from Customers / Transporters	1,102.95	1,044.14
	Remuneration Payable to Key Managerial Personnel [Refer Note 38.2(B)(i)(a&b)]	20.40	371.98
	Liabilities for Expenses at the year-end	743.59	636.49
	Others	44.81	38.35
		1,939.44	2,117.18

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
22	**Other Current Liabilities**		
	Statutory Dues	4,732.59	4,447.93
	Advances from Customers	3,124.94	3,055.70
	Advance against sale of Non-current Assets held for Disposal [Refer Note 2(v)]	-	127.34
	Unearned Revenue	1,382.50	1,085.25
	Others	83.04	95.56
		9,323.07	8,811.78

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
23	**Provisions**		
	For Employee Benefits (Refer Note 36)		
	Gratuity	263.82	128.84
	Compensated absences	209.77	209.62
		473.59	338.46

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
24 Current Tax Liabilities (net)		
Provision for Taxation (Previous Year: Net of Taxes Paid of ₹ 1,690.65 lakhs)	-	112.60
	-	112.60

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
25 Revenue from Operations		
Sale of Products	75,384.24	66,890.96
Other Operating Revenue	745.17	480.26
	76,129.41	67,371.22
25.1 Revenue from Contracts with Customers		
A Revenue from contracts with customers disaggregated based on nature of products or services		
i Revenue from Sale of Products		
Cement	73,348.98	65,218.01
Clinker	230.59	1,672.95
Paints	1,804.67	-
	75,384.24	66,890.96
ii. Other Operating Revenue		
AFR Processing Income	141.11	222.95
Sale of Power	334.63	107.53
Sale of Scrap	262.05	144.34
Export Entitlements	7.38	5.44
	745.17	480.26
	76,129.41	67,371.22
B Revenue from contracts with customers disaggregated based on geography		
i. Domestic	75,397.40	66,829.41
ii. Export	732.01	541.81
	76,129.41	67,371.22
25.2 Reconciliation of contract price with Revenue from Operations		
Contract price	77,757.71	69,026.96
Add: Transfer from Unearned Revenue to Revenue	294.90	263.42
	78,052.61	69,290.38
Less:		
Discounts and Rate differences	2,076.22	1,833.68
Customer loyalty programme	115.47	66.95
Incentives and Schemes	476.68	498.79
Revenue from sale of products	75,384.24	66,890.96
Add: Other Operating Revenue	745.17	480.26
Revenue from Operations	76,129.41	67,371.22

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
26 Other Income		
Interest Income on		
Fixed Deposits with Banks	691.02	714.81
Financial Assets measured at amortised cost	2.56	2.85
Income Tax Refund	21.90	-
Others	4.21	9.59
	719.69	727.25
Dividend Income from Non-current Investments	0.71	-
Miscellaneous Income	177.54	174.99
Net Gain on Foreign Currency Transactions and Translation	119.25	126.44
Profit on Sale of Property, Plant and Equipment (Net)	57.98	-
Insurance Claims	30.73	15.09
Excess Provisions Written Back	5.25	119.97
Trade / Other Payables Written Back	45.05	66.62
	1,156.20	1,230.36

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
27 Cost of Materials Consumed		
Raw Materials		
Opening Stock	632.59	584.60
Add: Purchases	6,744.67	2,600.74
	7,377.26	3,185.34
Less: Closing Stock	1,333.15	632.59
	6,044.11	2,552.75
Royalty, Cess and Raw Material Handling Charges		
Limestone and Other Materials Handling Charges	898.01	806.91
Limestone / Marl Raising Charges	412.85	678.10
Royalty and Cess	1,945.08	1,845.48
	3,255.94	3,330.49
Packing Materials		
Opening Stock	226.99	149.54
Add: Purchases	2,515.09	1,930.50
	2,742.08	2,080.04
Less: Closing Stock	370.13	226.99
	2,371.95	1,853.05
	11,672.00	7,736.29

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
28 Purchases of Stock-in-trade		
Purchases of Trading Goods		
Paints	**223.28**	-
	223.28	-

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
29 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress		
Stocks at the end		
Finished Goods - Cement	**741.97**	615.94
Finished Goods - Paints	**387.89**	-
Stock-in-trade - Paints	**39.14**	-
Work-in-progress - Raw Flour and Clinker	**2,071.44**	457.34
	3,240.44	1,073.28
Less: Stocks at the Beginning		
Finished Goods - Cement	**615.94**	853.85
Work-in-progress - Raw Flour and Clinker	**457.34**	1,789.27
	1,073.28	2,643.12
	(2,167.16)	1,569.84

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
30 Employee Benefits Expense		
[Refer Note 32.1]		
Salaries, Wages and Bonus	**4,281.80**	3,920.61
Share based payments to employees (Refer Note 41)	**-**	109.76
Contribution to Provident and Other Funds	**261.53**	232.41
Gratuity Expense (Refer Note 36)	**108.62**	108.31
Staff Welfare Expenses	**167.69**	157.91
	4,819.64	4,529.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
31	**Finance Costs**		
	Interest expense		
	On Borrowings	**207.54**	118.23
	On Duties and Taxes	**90.39**	135.04
	On Others	**126.70**	139.67
		424.63	392.94
	Other Borrowing Costs	**68.37**	44.48
		493.00	437.42

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
32	**Other Expenses**		
	Stores and Spare Parts Consumed	**3,470.35**	2,296.78
	Power and Fuel	**28,394.86**	16,596.24
	Rent	**283.00**	131.99
	Repairs and Maintenance:		
	Buildings	**668.99**	236.29
	Machinery	**2,049.29**	1,570.72
	Others	**895.57**	595.43
		3,613.85	2,402.44
	Insurance	**180.83**	184.31
	Rates and Taxes	**81.00**	63.15
	Advertisement and Business Promotion Expenses	**1,935.25**	1,365.97
	Freight and Handling Expenses	**16,149.44**	15,079.07
	Cement Packing Expenses	**732.39**	743.45
	Packing and Handling Expenses - Paints	**68.94**	-
	Commission	**1,142.49**	1,088.13
	Directors' Fees	**67.05**	68.40
	Charity and Donation	**3.00**	128.60
	Traveling and Conveyance	**704.72**	201.39
	Legal and Professional Charges	**953.66**	676.35
	Auditor's Remuneration		
	Audit Fees	**14.72**	11.10
	Tax Audit Fees	**3.60**	3.60
	For Other Services - Certification Work	**4.90**	5.60
		23.22	20.30
	Loss on Sale / Discard of Property, Plant and Equipment (Net)	**-**	13.53
	Corporate Social Responsibility (CSR) Expenditure (Refer Note 34)	**113.77**	77.32
	Miscellaneous Expenses	**1,299.56**	955.19
	Cost of Cement Self Consumed	**(7.45)**	(14.06)
		59,209.93	42,078.55

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
32.1 Employee Benefit Expense (Note 30) and Other Expenses(Note 32) as incurred on cost of raising and transporting limestone / marl are as under:		
Salaries, Wages and Bonus	**162.21**	138.51
Stores and Spare Parts Consumed	**623.59**	409.88
Repairs and Maintenance to Machinery	**89.43**	91.80
Raw Material Handling Charges	**526.80**	439.99
Limestone / Marl Raising Charges	**412.85**	678.10
Royalty and Cess	**1,945.08**	1,845.48
	3,759.96	3,603.76

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
33 Contingent Liabilities and Commitments		
i. Contingent liabilities: (to the extent not provided for)		
Claims against the Company not acknowledged as debt - matters under disputes / appeals:		
i. Sales Tax / VAT	**-**	2.09
ii. Excise Duty	**1,360.41**	1,360.41
iii. Goods and Services Tax	**1.42**	1.42
iv. Royalty	**15.12**	15.12
v. Customs Duty	**50.00**	50.00
vi. Claims filed by workmen or their union against the Company	**3.12**	2.15
vii. On account of Power Supply	**678.16**	647.56
viii. In the earlier years, the company had sold residential flats through a bidding process in which the bidder failed to make the payments as per the agreed schedule due to which the Earnest Money Deposit and part payments received against the failed bid were forfeited by the Company as per the agreed tender terms and the flats were sold to another person. The original unsuccessful bidder has disputed the subsequent sale and the outcome / impact of the same is presently unascertainable.		
ix. Other demands and claims	**28.02**	28.02
Notes:		
i. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.		
iii. The amounts stated are including interest and penalty, to the extent demanded.		
ii. Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances of ₹ 1,469.47 lakhs, Previous Year: ₹ 1,567.17 lakhs) and not provided for.	**1,955.05**	1,622.55

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
34	**Particulars of Corporate Social Responsibility (CSR) Expenditure**		
	Gross amount required to be spent by the Company during the year	**113.76**	77.13
	Amount spent and paid on CSR activities included in the Consolidated Statement of Profit and Loss for the year :		
	Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
	Rural Development	-	5.29
	Promoting Preventive Health Care, Environment and Sanitation	**4.15**	50.00
	Education Promotion	**109.62**	22.03
		113.77	77.32
	There is no shortfall in the current year as well as in previous year.		

35 Disclosure pursuant to Ind AS 116 on "Leases"

A Following are the changes in the carrying value of right of use assets:

₹ in lakhs

Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
Buildings			
Balance as at April 01, 2020	397.47	111.77	285.70
Additions	4.09	136.16	(132.07)
Deletions	6.93	6.54	0.39
Balance as at March 31, 2021	**394.63**	**241.39**	**153.24**
Additions	**80.29**	**129.23**	**(48.94)**
Deletions	**169.09**	**165.41**	**3.68**
Balance as at March 31, 2022	**305.83**	**205.21**	**100.62**

The aggregate depreciation expense amounting to ₹ 129.23 lakhs (Previous Year: ₹ 136.16 lakhs) on right of use assets is included under Depreciation and Amortization Expense in the Consolidated Statement of Profit and Loss.

B The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Current lease liabilities	**60.02**	121.84
Non current lease liabilities	**47.62**	44.38
	107.64	166.22

C The following is the movement in lease liabilities:

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Balance as at the beginning of the year	**166.22**	293.50
Additions	**78.67**	4.09
Finance cost accrued	**11.03**	17.92
Deletions	**3.93**	0.43
Rent Concessions	-	0.14
Payment of lease liabilities	**144.35**	148.72
Balance as at the end of the year	**107.64**	166.22

The aggregate interest expense amounting to ₹ 11.03 lakhs (Previous Year: ₹ 17.92 lakhs) on Lease Liabilities is included under Finance Costs (Interest expenses - Others) in the Consolidated Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Less than one year	**65.40**	129.62
One to five years	**50.70**	46.31
More than five years	**-**	-
	116.10	175.93

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Consolidated Statement of Profit and Loss:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Depreciation charge on right of use assets	**129.23**	136.16
Interest expense on lease liabilities	**11.03**	17.92
Expense relating to short-term leases	**64.82**	63.72
Gain on termination of leases	**0.25**	0.02
Rent Concessions	**-**	0.14

F Total cash outflow for leases from Financing Activities recognised in the Consolidated Statement of Cash Flows is ₹ 144.35 lakhs (Previous Year: ₹ 148.72 lakhs).

As a Lessor:

G The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease, on an undiscounted basis :

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Less than one year	**21.12**	3.00
One to five years	**21.12**	-
More than five years	**-**	-
	42.24	3.00

H Lease Income recognised in the Consolidated Statement of Profit and Loss is ₹ 18.84 lakhs (Previous Year: ₹ 12 lakhs).

36 Employee benefits

As per Ind AS - 19 - "Employee Benefits", the disclosures of Employee Benefits is given as below:-

36.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 255.88 lakhs (Previous Year: ₹ 232.41 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 30)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

36.2 Defined Benefit Plan: Gratuity

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the Defined Benefit Plan	**Remarks**
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

36.3 The fund is managed by a trust and it is governed by the Board of Trustees. Present strength of trustees is five. The trustees are responsible for the governance of the plan. The day-to-day administration of the scheme is carried out by the trustees. It is the trustee's duty to look after assets on behalf of employees who are entitled to benefit from those assets at future date. Investment of assets of fund is key responsibility of the trustees.

36.4 Risk to the Plan

i. **Actuarial Risk:**

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

ii. **Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

iii. **Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

iv. **Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
36.5 i. Changes in Present Value of Obligations:		
Present Value of Obligation at the beginning of the year	**1,107.22**	1,132.56
Current Service Cost	**40.24**	40.58
Past Service Cost	**-**	-
Interest Cost	**69.09**	68.40
Actuarial (Gain) / Loss due to:		
- Change in Financial Assumptions	**(25.07)**	(12.74)
- Change in Demographic Assumptions	**(0.28)**	-
- Experience Changes	**9.08**	42.84
Benefits paid	**(192.49)**	(164.42)
Present Value of Obligation as at the end of the year	**1,007.79**	1,107.22

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
ii.	**Changes in Fair Value of Plan Assets:**		
	Fair value of Plan Assets at the beginning of the year	**11.24**	11.18
	Expected return on Plan Assets	**0.71**	0.67
	Contributions by the employer	**192.49**	163.79
	Benefits paid	**(192.49)**	(164.42)
	Return on plan assets excluding amounts included in interest income	**0.02**	0.02
	Fair value of Plan Assets as at the end of the year	**11.97**	11.24
iii.	**The amount recognised in Consolidated Balance Sheet**		
	Gross value of Present Obligation at the end of the year	**1,007.79**	1,107.22
	Fair Value of Plan Assets at the end of the year	**11.97**	11.24
	Net Liability / (Asset) recognised in Consolidated Balance Sheet	**995.82**	1,095.98
iv.	**Amount recognised in the Consolidated Statement of Profit and Loss**		
	Current Service Cost	**40.24**	40.58
	Past Service Cost	**-**	-
	Interest Cost	**68.38**	68.40
	Expected return on Plan Assets	**-**	(0.67)
	Expenses Recognised in the Consolidated Statement of Profit and Loss	**108.62**	108.31
v.	**Amount recognised in Other Comprehensive Income**		
	Components of Actuarial (Gain) / Loss:		
	Change in Financial Assumptions	**(25.07)**	(12.74)
	Change in Demographic Assumptions	**(0.28)**	-
	Experience Changes	**9.08**	42.84
	Return on plan assets excluding amounts included in interest income	**(0.02)**	(0.02)
	Amount recognised in Other Comprehensive Income	**(16.29)**	30.08
vi.	**Category of Assets**		
	Insurer Managed Funds	**11.97**	11.24
vii.	**Maturity Profile of the Defined Benefit Obligation**		
	1st Following Year (Within next 12 months)	**263.82**	279.42
	2nd Following Year	**128.17**	111.83
	3rd Following Year	**128.56**	182.34
	4th Following Year	**105.29**	126.36
	5th Following Year	**109.56**	99.10
	Sum of Years 6 to 10	**373.93**	414.68
	Sum of Years 11 and above	**317.79**	305.00
viii.	**Sensitivity Analysis for significant assumptions ***		
	Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
	1% increase in discount rate	**(36.57)**	(41.11)
	1% decrease in discount rate	**40.61**	45.67
	1% increase in salary escalation rate	**38.14**	44.31
	1% decrease in salary escalation rate	**(35.66)**	(40.55)
	1% increase in employee turnover rate	**4.36**	3.45
	1% decrease in employee turnover rate	**(4.84)**	(3.80)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
ix.	**Assumptions**		
	Mortality Table - Indian Assured Life Mortality 2006-08		
	Discount Rate	**6.96%**	6.33%
	Rate of increase in compensation levels	**5.00%**	5.00%
	Expected Return on Plan Assets	**6.96%**	6.33%
	Attrition Rate		
	For service 4 years and below	**15.00%**	15.00%
	For service 5 years and above	**2.00%**	2.00%
x.	Weighted average duration of Defined Benefit Obligation	**5 years**	5 years

xi. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

xii. Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations which is 9 years.

xiii. **Asset Liability matching strategy**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity.

*The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

37 Segment Reporting

The Company operates in two reportable segment i.e. (i) manufacture of Cement and Clinker and (ii) Paints as per Ind AS 108 - Operating Segment. Segments have been identified taking into account nature of product and differential risk and return of the segment. The business segments are reviewed by the Managing Director of the Company (CODM).

In previous year, there was only one reportable segment i.e. Cement and Clinker and therefore previous year figures are not applicable.

			For the Year ended March 31, 2022 ₹ in lakhs
1	**Segment Revenue :**		
	Revenue from Operations :		
	a	Cement and Clinker	74,323.95
	b	Paints	1,805.46
	Total Revenue from Operations		76,129.41
2	**Segment Results :**		
	Profit / (Loss) after depreciation but before finance cost :		
	a	Cement and Clinker	1,898.69
	b	Paints	(640.67)
	c	Others - Subsidiary Company	(2.38)
			1,255.64
	d	Less : Finance Cost	493.00
	Net Profit / (Loss) before Tax		762.64
3	**Segment Assets :**		
	a	Cement and Clinker	71,262.34
	b	Paints	6,839.89
	c	Others - Subsidiary Company	35.39
	Total Assets		78,137.62
4	**Segment Liabilities :**		
	a	Cement and Clinker	24,851.51
	b	Paints	920.31
	c	Others - Subsidiary Company	0.23
	Total Liabilities		25,772.05

38 Related Party Disclosures

38.1 List of related parties:

i. **Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital:**

a. Pallor Trading Company Private Limited
b. The Mehta International Limited
c. Mehta Private Limited
d. The Mehta International Mauritius Limited
e. Mehta Investments Mauritius Limited
f. Gujarat Sidhee Cement Limited
g. Galaxy Technologies Private Limited
h. Omna Enterprises LLP

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii. **Key Management Personnel:**

a. Mr. M. N. Mehta - Chairman
b. Mr. Jay Mehta - Executive Vice Chairman
c. Mr. M. S. Gilotra - Managing Director
d. Mr. Hemang D. Mehta - Non-Executive Director
e. Mr. Hemnabh R. Khatau - Non-Executive Director
f. Mr. M. N. Rao - Independent Director
g. Mr. B. P. Deshmukh - Independent Director
h. Mr. K. N. Bhandari - Independent Director
i. Mr. Jayant N. Godbole - Independent Director *
j. Mr. Bimal R. Thakkar - Independent Director
k. Mr. Ashwani Kumar - Independent Director
l. Mrs. Bhagyam Ramani - Independent Director

* Ceases to be director due to death on January 04, 2022

iii. **Enterprise having Key Management Personnel in common:**
Gujarat Sidhee Cement Limited

38.2 Transactions and Balances with related parties:

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
A Transactions with related parties:		
i. Compensation paid / payable to Key Management Personnel:		
(Short-term employee benefits)		
a. Mr. Jay Mehta	**337.85**	526.60
b. Mr. M. S. Gilotra	**300.24**	408.56
As the liability for gratuity are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity.		
ii. Transactions with Key Management Personnel:		
a. Directors sitting fees	**67.05**	68.40
b. Dividend on Equity Shares	**0.71**	0.95
iii. Transactions with relatives of Key Management Personnel:		
Dividend on Equity Shares	**26.56**	35.41
iv. Transactions with Promoter Companies:		
Dividend on Equity Shares	**347.23**	327.59
v. Transactions with Gujarat Sidhee Cement Limited		
a. Purchase of goods, materials and stores & spares	**1,785.35**	1,245.81
b. Recovery for services	**130.98**	74.97
vi. Transactions with Mehta Private Limited:		
Rent Paid	**71.58**	68.17

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
B Outstanding Balances as at the year-end		
i. Key Management Personnel:		
a. Remuneration payable to Mr. M S Gilotra	**8.74**	159.42
b. Remuneration payable to Mr. Jay M Mehta	**11.66**	212.56
c. Travelling Advance to Mr. Jay M Mehta	**-**	2.67
ii. Gujarat Sidhee Cement Limited		
Trade Receivables/ (Payables)	**(10.79)**	28.98

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C Terms and conditions of transactions and balances with related parties

i. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

ii. Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.

iii. There have been no guarantees provided or received for any related party transaction.

iv. For the year ended March 31, 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

39 Capital Management:

The primary objective of Group's Capital Management is to maximize shareholder value without having any adverse impact on interests of other stakeholders. At the same time, group strives to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's Capital Management, debt includes borrowings and current maturities of long term debt and equity includes issued equity share capital, share premium and all other equity.

The Group monitors capital using Net Debt to Equity ratio which is as under :

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Total Debt	**6,091.29**	2,038.95
Cash and Cash Equivalents and Fixed Deposits with Bank	**11,518.86**	14,358.52
Net Debt (A)	**(5,427.57)**	(12,319.57)
Total Equity (B)	**52,365.57**	52,280.25
Net Debt to Equity Ratio (A/B)	**NA**	NA

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
40	**Disclosure pursuant to Ind AS 12 on "Income Taxes"**		
40.1	**Income tax expense recognised in the Consolidated Statement of Profit and Loss:**		
i	**Current Income Tax**		
	In respect of current year	**112.85**	2,897.77
	Adjustments in respect of tax of earlier years	**(3.20)**	1.99
	Total current income tax	**109.65**	2,899.76
ii	**Deferred Tax**		
	In respect of current year origination and reversal of temporary difference	**323.10**	147.74
	In respect of MAT credit entitlement	**(66.84)**	-
	In respect of MAT credit entitlement of earlier years	**-**	(29.84)
	Total Deferred Tax	**256.26**	117.90
	Income Tax expense	**365.91**	3,017.66
40.2	**Income tax charge / (credit) recognised in Other Comprehensive Income:**		
	Deferred Tax		
	In respect of remeasurement gain / (loss) of defined benefit plan	**5.69**	(10.51)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
40.3 Classification of Income tax charge / (credit) recognised in Other Comprehensive Income:		
Income tax charge / (Credit) related to items that will not be reclassified to profit or loss	**5.69**	(10.51)
40.4 Reconciliation of Income Tax Expense with the accounting profit multiplied by Company's tax rate		
Accounting profit before tax	**762.64**	10,246.84
Applicable Tax Rate *	**33.38%**	34.94%
Computed Tax Expense	**254.60**	3,580.66
Effect of non deductible items	**130.48**	215.60
Effect of deductible items	**(324.47)**	(210.62)
Effect of deductions under Chapter VI-A	**(0.46)**	(689.74)
Effect of Brought forward unused tax losses	**(13.34)**	-
Effect of unused tax losses	**-**	1.87
Effect of Different Applicable Tax Rate to Subsidiary	**(0.80)**	-
Adjustment of income tax of earlier year	**(3.20)**	1.99
Adjustment of MAT Credit entitlement of earlier years	**-**	(29.84)
Deferred tax adjustment	**323.10**	147.74
Tax Expenses recognised in Consolidated Statement of Profit and Loss	**365.91**	3,017.66
Effective Tax Rate	**47.98%**	29.45%

* The tax rate used for reconciliation is the corporate tax rate of 33.38% (Previous Year: 34.94%) payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
40.5 Deductible temporary differences arising from investment in Equity Shares on which DTA has not been recognised		
Investment in Gujarat Sidhee Cement Limited	**1,754.24**	1,907.40

The Group has not recognised Deferred Tax Asset on deductible temporary difference arising from above investments as the Management is of the view that there will not be sufficient taxable income in the form of Capital Gains against which the Capital Loss on the said temporary difference can be utilised.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		As at April 01, 2021 ₹ in lakhs	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2022 ₹ in lakhs
40.6	**Components of Deferred Tax**					
a.	**Deferred Tax Assets**					
	Provision for Impairment	1,606.65	-	-	-	**1,606.65**
	Provision for expenses allowable on cash basis	893.53	**29.21**	-	-	**922.74**
	Provision for Gratuity & Leave encashment	566.49	**(26.95)**	**(5.69)**	-	**533.85**
	MAT Credit	1,504.55	**66.84**	-	**1.65**	**1,573.04**
	Lease Liabilities	61.48	**(20.91)**	-	-	**40.57**
	Others	19.46	**10.04**	-	-	**29.50**
		4,652.16	**58.23**	**(5.69)**	**1.65**	**4,706.35**
b.	**Deferred Tax Liabilities**					
	Property, Plant and Equipment and Intangible Assets	6,304.33	**332.88**	-	-	**6,637.21**
	Right of Use Assets	53.55	**(18.39)**	-	-	**35.16**
		6,357.88	**314.49**	-	-	**6,672.37**
	Deferred Tax Liabilities / (Asset) (Net)	1,705.72	**256.26**	**5.69**	**(1.65)**	**1,966.02**

		As at April 01, 2020 ₹ in lakhs	Recognised in Profit and Loss	Recognised in OCI	MAT Credit entitlement / (utilised)	As at March 31, 2021 ₹ in lakhs
a.	**Deferred Tax Assets**					
	Provision for Impairment	1,606.65	-	-	-	1,606.65
	Provision for expenses allowable on cash basis	931.02	(37.49)	-	-	893.53
	Provision for Gratuity & Leave encashment	557.42	(1.44)	10.51	-	566.49
	MAT Credit	2,569.23	29.84	-	(1,094.52)	1,504.55
	Lease Liabilities	112.03	(50.55)	-	-	61.48
	Others	17.80	1.66	-	-	19.46
		5,794.15	(57.98)	10.51	(1,094.52)	4,652.16
b.	**Deferred Tax Liabilities**					
	Property, Plant and Equipment and Intangible Assets	6,198.12	106.21	-	-	6,304.33
	Right of Use Assets	99.84	(46.29)	-	-	53.55
		6,297.96	59.92	-	-	6,357.88
	Deferred Tax Liabilities / (Asset) (Net)	503.81	117.90	(10.51)	1,094.52	1,705.72

41 Share Based Payments

41.1 Saurashtra Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 26, 2017, shareholders of the company approved Saurashtra Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 08, 2018 has approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the company as also to retain them. Each option carries the right to the holder to apply for one equity share of the company at par. The salient features of the Scheme are as below:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Details
No. of Options	16,33,253
Date of Grant	February 08, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	Graded Vesting: i) 33% of Options granted to be vested at 1st anniversary from the date of grant. ii) 33% of Options granted to be vested at 2nd anniversary from the date of grant. iii) 34% of Options granted to be vested at 3rd anniversary from the date of grant.
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	75.31
Method of Settlement	Equity

41.2 Movement in Options Granted under ESOS 2017

Particulars	As at March 31, 2022 Nos	Weighted average exercise price per option (₹)	As at March 31, 2021 Nos	Weighted average exercise price per option (₹)
Outstanding at the beginning of the year	**945,463**	**10**	1,207,854	10
Granted during the year	**-**		-	
Exercised during the year	**501,774**	**10**	262,391	10
Forfeited / lapsed during the year	**-**	**-**	-	-
Outstanding at the end of the year	**443,689**	**10**	945,463	10
Options exercisable at the end of the year	**443,689**	**10**	945,463	10

The weighted average share price during the period of exercise of options was ₹ 92.99 per share, Previous Year: ₹ 53.05. Weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 1 years and 9 months (Previous Year: 2 years and 1.5 months))

41.3 Fair Valuation

No options were granted during the year. The fair valuation of option granted during FY 2017-18 have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

i. Risk Free Rate : 7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)

ii. Option Life : Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)], which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)

iii. Expected Volatility * : 52.89% (Vest 1), 55.72% (Vest 2), 58.15% (Vest 3)

iv. Dividend Yield : 1.15%

* Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

41.4 Expenses arising from equity-settled share-based payments to employees debited to the Consolidated Statement of Profit and Loss is ₹ Nil (Previous Year: ₹ 109.76 lakhs).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

42 Disclosure on Financial Instruments

42.1 Classification of Financial Assets and Liabilities

Particulars	Note No.	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Financial Assets at amortised cost:			
Trade Receivables	8	3,513.37	2,901.84
Loans	4 and 11	14.64	9.59
Cash and Bank Balances	9 and 10	12,814.29	18,805.98
Other Financial Assets	5 and 12	397.16	418.04
Financial Assets at fair value through Other Comprehensive Income:			
Investments	3	913.82	760.65
Total		17,653.28	22,896.10
Financial Liabilities at amortised cost:			
Term Loan from Banks (Non-current)	16	430.22	462.15
Borrowings (Current)	19	5,661.07	1,576.80
Trade payables	20	4,816.87	3,696.57
Lease Liabilities	35	107.64	166.22
Other Financial Liabilities	21	1,939.44	2,117.18
Total		12,955.24	8,018.92

The fair value of Bank Deposits with more than 12 months maturities & earmarked balances and fair value of borrowed funds approximate carrying value as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

42.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Receivables are evaluated by the Group based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.

ii. The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.

iii. The fair values of quoted equity instruments are derived from quoted market prices in active markets.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Financial Assets at fair value through Other Comprehensive Income:		
Investments - Level 1	**912.32**	759.15
Investments - Level 2	**1.50**	1.50
Total	**913.82**	760.65

There is no transfer between Level 1 and Level 2 during the year.

42.3 Financial Risk Management Framework:

Company: Saurashtra Cement Limited

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets comprises of trade and other receivables, cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Company's activities exposes it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The Company's senior management oversees the management of these risks. They provide assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
Foreign Exchange Risk	Committed commercial transaction, Financial asset and Liabilities not denominated in INR	There are no major foreign exchange transactions	Foreign exchange transaction are in the nature of current payment and effected at current exchange rate.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign exchange risk in a fluctuating market environment.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts, capital expenditure and export of cement.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Outstanding foreign currency exposure	As at March 31, 2022 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Trade Advances		
EUR	94.24	39.06
GBP	38.53	-
USD	-	5.07
Trade Payables		
GBP	5.32	-

Foreign currency sensitivity on unhedged exposure:

Since the exposure is not significant, 1% increase in foreign exchange rates will have negligible impact on profit before tax.

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to i) overdraft against fixed deposits and ii) Cash Credit. The Company doesn't have foreign currency borrowings. The Company parks surplus funds in fixed deposits and avails overdraft against same to meet temporary fund requirement. The interest rate on overdraft is linked with interest rate on fixed deposit. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft. The Cash Credit carries floating interest rate.

Interest rate exposure:

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2022 is ₹ 759.69 lakhs, Previous Year: ₹ 999.98 lakhs.

There is no significant interest rate risk in respect of overdraft against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

Interest rate sensitivity for unhedged exposure:

1% increase / decrease in interest rate will impact Profit before tax by ₹ 7.60 lakhs p.a., Previous Year: ₹ 10 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities mainly deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Trade Receivables:

Customer credit is managed as per Company's established policy procedures and control related to customer credit risk management. The Company has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Export sales is mainly against advance payment or letter of credit.

Generally deposits are taken from domestic debtors. Apart from deposit, there is a third party agent area wise. In case any customer defaults, the amount is first recovered from third party agent, then from the agent's commission. Each outstanding customer receivable is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Company does not have higher concentration of credit risks to a single customer.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Total Trade receivable as at March 31, 2022 is ₹ 3,527.47 lakhs, Previous Year: ₹ 2,915.58 lakhs.

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for impairment based on specific identification of debtors. The Company will reassess the risk periodically and make the necessary adjustments for loss allowance, if required. The movement in provision for impairment is as below:

Particulars	**As at March 31, 2022 ₹ in lakhs**	As at March 31, 2021 ₹ in lakhs
Balance as at the beginning of the year	**13.74**	13.74
Add: Provided during the year	**-**	-
Less: Utilised / written back during the year	**-**	-
Balance as at the end of the year	**13.74**	13.74

Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

Subsidiary: Agrima Consultants International Ltd

The Subsidiary Company's source of revenue is rental income which is not exposed to any kind of the market risk or credit risk since the same is derived from its Holding Company and one other company in which Key Management Personnel of Holding Company is common.

Group

Liquidity Risk:

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in lakhs

As at March 31, 2022	**Less than 1 year / On demand**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings (including current maturities of long-term debts)	**5,661.07**	**430.22**	**-**	**6,091.29**
Trade payables	**4,816.87**	**-**	**-**	**4,816.87**
Lease Liabilities	**65.40**	**50.70**	**-**	**116.10**
Other financial liabilities	**1,939.44**	**-**	**-**	**1,939.44**
As at March 31, 2021	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities of long-term debts)	1,576.80	462.15	-	2,038.95
Trade payables	3,696.57	-	-	3,696.57
Lease Liabilities	129.62	46.31	-	175.93
Other financial liabilities	2,117.18	-	-	2,117.18

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

43 Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended March 31, 2022:

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated Net Assets	₹ in lacs	As % of Consolidated Profit or (Loss)	₹ in lacs	As % of Consolidated OCI	₹ in lacs	As % of Consolidated TCI	₹ in lacs
1	2	3	4	5	6	7	8	9
Parent :								
Saurashtra Cement Limited	99.93%	52,330.41	101.22%	401.56	100.00%	163.77	100.86%	565.33
Subsidiary (Indian):								
1 Agrima Consultants International Limited	0.07%	35.16	-1.22%	(4.83)	-	-	-0.86%	(4.83)
Non controlling interest	-	-	-	-	-	-	-	-
Total	100.00%	52,365.57	100.00%	396.73	100.00%	163.77	100.00%	560.50

44 Acquisition of Paint Business

The Board of Directors of the Company at its meeting held on March 30, 2021 approved a proposal for acquisition of the Paint Business of M/s Snowcem Paints Private Limited (""the seller"").

In this regard, the Company has executed Definitive Agreement on April 07, 2021 for purchase of business undertaking of the Paint Business of the seller for a total consideration of ₹ 54.11 crores on slump sale basis and as a going concern, including its manufacturing facilities, licenses & permissions, various brands in India and overseas, Trademarks and associated IPR, distribution and supply chain network, etc. on fulfilment of certain conditions.

The purchase was effective from May 01, 2021 and operations of said business were started from that date, which is the acquisition date for the purpose of Ind AS 103 - Business Combinations. Accordingly, financial statements for the year ended March 31, 2022 includes operations of Paint Business from May 01, 2021 and are strictly not comparable with the previous year's financial statement.

A The Company is engaged in the business of manufacturing of cement and clinker. The acquisition of Paint Business will add further value to the Company in the business of Construction materials segment.

B **Fair Value of the Consideration transferred:**

As per Ind AS 103 – Business Combinations, purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer.

The Fair Value of identifiable assets acquired as on the acquisition date:

Particulars	₹ in lakhs	₹ in lakhs
Property, Plant and Equipment		
Leasehold Land	881.55	
Buildings	1,828.24	
Plant and Machinery and Other Assets	143.62	2,853.41
Intangible Assets		
Trademarks	2,150.62	
Licenses and Permissions	123.00	
Computer Software	61.50	2,335.12
Total Assets		5,188.53

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C **Amount recognised as Goodwill:**

Particulars	₹ in lakhs
Total consideration as per agreement	5,411.00
Less: Fair value of the net assets acquired	5,188.53
Goodwill	222.47

Goodwill is attributable to future growth of business out of synergies from this acquisition.

D Acquisition costs capitalised to Property, Plant and Equipment and Intangible Assets:

Particulars	Acquisition Costs	₹ in lakhs	₹ in lakhs
Property, Plant and Equipment			
Leasehold Land	Lease Premium	30.00	
	Stamp Duty	18.93	48.93
Buildings	Professional Fees	20.00	
	Stamp Duty	43.31	63.31
Intangible Assets			
Trademarks	Filing Fees		12.49
			124.73

E Revenue and (Loss) of Paint Business included in the Consolidated Statement of Profit and Loss for the year ended March 31, 2022:

Particulars	₹ in lakhs
Revenue from operations	1,805.46
(Loss) Before Tax	(648.86)

45 The Board of Directors of the Company at its meeting held on February 05, 2022 approved the scheme of amalgamation of Gujarat Sidhee Cement Limited (GSCL) with the Company, subject to necessary regulatory approvals, with effect from January 01, 2022, being the appointed date. On amalgamation of GSCL with the Company ,

i. the shares held by GSCL in the Company will be cancelled and the shares held by the Company in GSCL will be cancelled,

ii. all the assets and liabilities of GSCL will be transferred to the Company,

iii. the shareholders of GSCL will get 62 Equity Shares of the Company in exchange of 100 Equity Shares of GSCL in proportion of their holdings.

The Scheme shall be effective from the last date on which the order approving the Scheme by National Company Law Tribunal (NCLT) is filed with the Registrar of Companies (ROC).

46 **Disclosure of transactions with Struck off Companies**

The Group does not have any transactions with struck-off companies except below.

Name of the struck off company	Nature of transactions with struck off company	As at March 31, 2022		As at March 31, 2021	
		Balance outstanding (₹ in lakhs)	Relationship with the struck off company, if any	Balance outstanding (₹ in lakhs)	Relationship with the struck off company, if any
Kulveer Metal Craft Private Limited	Trade Payables	0.81	-	0.39	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

47 Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Consolidated Financial Statements.

i. The Group has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.

ii. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

iii. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

iv. Ratios - Refer Note 48.

v. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding, that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Additional Information

Additional Information pursuant to Clause 7(l) of General Instructions for preparation of Statement of Profit and Loss as given in Part II of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Consolidated Financial Statements.

i. The Group does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

ii. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

48 Ratios

Particulars	Formula	As at March 31, 2022			As at March 31, 2021			% Variance	Reason for variance
		Numerator ₹ in lakhs	Denominator ₹ in lakhs	Ratio	Numerator ₹ in lakhs	Denominator ₹ in lakhs	Ratio		
Current ratio	Current assets / Current liabilities	27,105.71	22,274.06	1.22	28,651.02	16,775.23	1.71	-29%	Increase in current liabilities, mainly bank borrowings
Debt-equity ratio	Total Debt / Shareholder's Equity	6,091.29	52,365.57	0.12	2,038.95	52,280.25	0.04	200%	Increase in debt, mainly current bank borrowings
Debt service coverage ratio	Earnings available for debt service / Debt Service	2,887.31	671.37	4.30	9,373.76	599.31	15.64	-73%	Consequential impact of decrease in profit
Return on equity ratio	Net Profit after taxes / Average Shareholder's Equity	396.73	52,322.91	0.76%	7,229.18	48,685.37	14.85%	-95%	Decrease in profit, mainly due to Higher Cost of Power and Fuel
Inventory turnover ratio	Net Sales / Average Inventory	75,384.24	7,614.76	9.90	66,890.96	7,781.54	8.60	15%	
Trade receivables turnover ratio	Revenue from Operations / Average Trade Receivables	76,129.41	3,207.61	23.73	67,371.22	3,168.51	21.26	12%	
Trade payables turnover ratio	Purchases / Average Trade Payables	43,459.79	1,287.28	33.76	21,985.29	2,109.46	10.42	224%	Majority of the suppliers are paid in the month of March 2022.
Net capital turnover ratio	Revenue from Operations / Working Capital	76,129.41	4,831.65	15.76	67,371.22	11,875.79	5.67	178%	Increase in sales and decrease in net working capital
Net profit ratio	Net Profit after taxes / Revenue from Operations	396.73	76,129.41	0.52%	7,229.18	67,371.22	10.73%	-95%	Decrease in profit, mainly due to Higher Cost of Power and Fuel
Return on capital employed	Earning before interest and taxes / Capital Employed	970.18	57,369.88	1.69%	10,365.07	55,940.56	0.19	-91%	Consequential impact of decrease in profit
Return on investment	Dividend on shares / Investment in shares	0.71	913.82	0.08%	-	760.65	-	100%	No receipt of dividend in previous year

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		For the Year ended March 31, 2022 ₹ in lakhs	For the Year ended March 31, 2021 ₹ in lakhs
49	**Earnings Per Share**		
	Basic earnings per share		
	Net Profit for the year	**396.73**	7,229.18
	Weighted average number of equity shares outstanding	**70,059,681**	69,657,993
	Basic earnings per share (in ₹)	**0.57**	10.38
	Diluted earnings per share		
	Net Profit for the year	**396.73**	7,229.18
	Weighted average number of equity shares outstanding	**70,059,681**	69,657,993
	Add: Weighted average number of potential equity shares on account of outstanding Employee Stock Options	**388,240**	806,324
	Weighted average number of equity shares outstanding for diluted EPS	**70,447,921**	70,464,317
	Diluted earnings per share (in ₹)	**0.56**	10.26

50 Previous year figures have been recasted / restated where necessary.

As per our report of even date attached

For **MANUBHAI & SHAH LLP**
Chartered Accountants

Firm Registration No. 106041W / W100136

K C Patel
Partner
Membership No. 30083
Place: Ahmedabad
Date : May 23, 2022

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary

(₹ in Lakhs)

Sl. No.	1
Name of the Subsidiary Company	**Agrima Consultants International Limited**
Share Capital	40.41
Other Equity	(5.26)
Total Assets	35.38
Total Liabilities	0.23
Investments	0.25
Turnover	47.87
Profit / (Loss) before taxation	168.01
Provision for taxation	2.45
Profit / (Loss) after taxation	165.56
Proposed Dividend	-
% of shareholding	100%

For and on behalf of the Board of Directors

Jay Mehta (DIN:00152072)
Executive Vice Chairman

M.N. Rao (DIN:00027131)
Director

M. S. Gilotra (DIN:00152190)
Managing Director

Rakesh Mehta
Chief Financial Officer

Sonali Sanas
President (CS, Legal & Strategy)
(Membership No. :A16690)

Place: Ahmedabad
Date : May 23, 2022

BOOK-POST

If undelivered please return to:

Saurashtra Cement Limited
Registered Office & Works
Near Railway Station, Ranavav 360 560, Gujarat.
Tel: 02801-234200
Fax: 02801-234376
CIN:L26941GJ1956PLC000840

www.sapprints.com